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The Commonwealth of Massachusetts.

REPORT  
OF THE  
COMMISSION TO INVESTIGATE  
EMPLOYMENT OFFICES.

MAY, 1911.



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## CONTENTS.

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|  | PAGE |
|--|------|
| Letter of transmission, . . . . .  | 5    |
| Resolves providing for appointment of commission and extending time<br>for report, . . . . . | 7    |
| I. Introductory statement, . . . . .   | 9    |
| II. Private employment offices:—   |      |
| A. General observations and conclusions, . . . . .   | 11   |
| B. Specific recommendations, . . . . .   | 18   |
| III. State free employment offices, . . . . .  | 64   |
| Appendix:—   |      |
| A. Draft of an act concerning private employment offices, . . . . .                          | 105  |
| B. Draft of an act concerning state free employment offices, . . . . .                       | 120  |
| C. Rules of Licensing Board of Boston, . . . . .   | 124  |
| Topical summary of the laws of other States (folders).                                       |      |



# The Commonwealth of Massachusetts.

Boston, May 15, 1911.

*To the General Court of Massachusetts.*

In accordance with the provisions of chapter 146 of the Resolves of the year 1910, entitled "Resolve to provide for the investigation of employment and intelligence offices," as amended by chapter 2 of the Resolves of the year 1911, we respectfully submit the following report.

HOWARD W. BROWN.  
NATHAN L. AMSTER.  
ALICE L. HIGGINS.



## RESOLVES IN REGARD TO THE COMMISSION TO INVESTIGATE EMPLOYMENT OFFICES.

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### RESOLVES OF 1910, CHAPTER 146.

#### RESOLVE TO PROVIDE FOR AN INVESTIGATION OF EMPLOYMENT AND INTELLIGENCE OFFICES.

*Resolved*, That a commission of three persons be appointed by the governor, with the advice and consent of the council, to serve without compensation. The commission shall investigate and study the condition and management of employment agencies and intelligence offices of all kinds in the commonwealth, and the efficiency of the laws relating thereto. The commission shall also investigate in regard to the advisability of extending the services of the state free employment offices of the bureau of statistics so as to provide farm labor throughout the commonwealth. The commission shall be allowed such sum for its necessary expenses, not exceeding two thousand dollars, as may be approved by the governor and council, and shall report in print to the general court, not later than the eleventh day of January, nineteen hundred and eleven, with such recommendations for legislation or otherwise as it may deem expedient. The commission shall have authority to summon witnesses, and enforce their attendance, to order the production of books, papers, agreements and documents and to administer oaths in accordance with the provisions of chapter one hundred and seventy-five of the Revised Laws, and acts amendatory thereof and in addition thereto. [*Approved June 15, 1910.*]

### RESOLVES OF 1911, CHAPTER 2.

#### RESOLVE EXTENDING THE TIME FOR THE FILING OF THE REPORT OF THE COMMISSION APPOINTED TO INVESTIGATE EMPLOYMENT AGENCIES AND INTELLIGENCE OFFICES.

*Resolved*, That the time for the filing of the report of the commission appointed, pursuant to the provisions of chapter one hundred and forty-six of the resolves of the year nineteen hundred and ten, to investigate and study the condition and management of employment agencies and intelligence offices of all kinds, is hereby extended until the second Wednesday of March in the year nineteen hundred and eleven. [*Approved January 31, 1911.*]

NOTE. — Before the time for filing its report, as extended by the second of the above resolves, the commission concluded, for many reasons, that its report ought not to be filed at this session of the Legislature. It accordingly introduced upon petition a resolve further extending the time for its report until January, 1912. The House refused to grant an extension beyond the 15th of May, and passed a resolve to that effect. The Senate amended the resolve so passed so as to allow the whole extension asked for, and the House having failed to concur in this amendment, a conference committee was appointed. At the time when this report goes to press it is probable that the conference committee will recommend and the Legislature will pass a resolve requiring the commission to report at the present time, but continuing it in office, with full powers, until next January, with leave to file at that time a supplementary report.



# REPORT OF THE COMMISSION TO INVESTIGATE EMPLOYMENT OFFICES.

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## I. INTRODUCTORY STATEMENT.

The commission was appointed in July, 1910, but inasmuch as all the members had arranged to take summer vacations during the month of August, no work could be done until the first of September. The months of September, October and November were devoted to study and investigation of existing conditions, and the collection of the material upon which the report of the commission was to be based. Investigators were employed who visited in person practically all the employment offices in Boston, and in other cities and towns having a population of more than 10,000 inhabitants in which there were more than 3 licensed offices. In the smaller towns and in cities and towns having 3 or less licensed offices the business was found to be so limited that investigation was hardly worth while. In this way 92 licensed offices in Boston and the same number outside of Boston were visited and 39 other calls were made at supposedly licensed offices which either had gone out of business or were doing so little as to make investigation valueless. In addition to the licensed offices, all offices doing business without licenses, so far as discovered, were investigated in the same manner.

Besides the personal investigation of offices, the results of which were fully reported to the commission by the investigators, the commission itself conferred with many managers of employment offices of all kinds; with members of the Licensing Board of the City of Boston; with former members of the Police Board of Boston; with the present Police Commissioner of Boston; with former inspectors of police, who were at one time specially assigned to the duty of inspecting licensed employment offices; with employers and employees.



and with many other persons whose knowledge of conditions and opinions seemed of value to the commission. Beyond this the investigators interviewed the police authorities and other persons in cities and towns outside of Boston, and circular letters containing a schedule of questions were distributed among the members of women's clubs and of agricultural societies and granges throughout the Commonwealth.

In all of the above ways the commission endeavored to inform itself as fully as possible upon the following points: —

(a) The different kinds of employment offices and the business methods of each kind.

(b) The possibilities of abuse which exist with reference to employment offices, in view of the nature of the business and the methods employed.

(c) The general extent to which the possible abuses do actually exist in fact.

No attempt was made to gather evidence of specific abuses in such manner as would secure a conviction in court, for two reasons: first, because the time at the disposal of the commission was too short to permit the accumulation of enough evidence of this sort to amount to much; second, because a general knowledge of the situation as a whole, gathered from observation and conferences, seemed to the commission amply sufficient to show that abuses are possible and do actually exist to a sufficient extent to justify further legislation, and also sufficient to indicate what kind of legislation should be adopted. Upon the information obtained in the above manner, and after a thorough study of the laws of other States, the commission has drafted the bill printed in the Appendix, the terms of which are explained in part II., B, of this report.

As to the State free employment offices, much the same method of investigation has been employed as with reference to the private offices. The existing offices have been personally visited, and conferences have been held with those conducting the offices, with employers and employees, and with other persons familiar with the work of the offices. In addition, many books and articles on governmental employment bureaus, and the reports of such bureaus in many com-

munities, have been read and studied. As a result, a separate act has been drafted concerning the State free employment offices. This act is printed in the Appendix, and is explained in part III. of this report.

The commission desires to express its appreciation of the valuable assistance given to it by the managers of private employment offices of all kinds, including those who have never been licensed as well as those now subject to control; and likewise by the Director of the Bureau of Statistics and the superintendents of the State free employment offices. All these persons have aided the commission in every possible way, and with great courtesy, to obtain the information it desired. Thanks are also due to many officials now and formerly connected with the enforcement of the law as to private employment offices for their valuable advice and suggestions, and to the Women's Educational and Industrial Union for the results of its investigation of conditions in Massachusetts, and of the laws in other States.

## II. PRIVATE EMPLOYMENT OFFICES.

### A. GENERAL OBSERVATIONS AND CONCLUSIONS.

We desire to report in the first place our firm conviction that many of the leading private employment offices in the Commonwealth are performing an extremely valuable service for the community in a thoroughly honest and efficient manner, and that with proper regulation and inspection all private employment offices may be brought up to a satisfactory standard. As to the comparative value of private employment offices and the State free employment offices, we further report that in our opinion the State free offices, while they have a useful function to perform and should be continued in existence, cannot and should not be relied upon to supersede the private offices; that private employment offices are indispensable to the community, and if properly controlled and regulated will render services which could not be so well performed by governmental bureaus; and that the wise policy to adopt is not to abolish private employment offices, or in any way restrict the field of their activities, in

the hope of getting better results from State free offices substituted in their place, but rather to foster and encourage the business of private employment offices in every possible way.

The notion that State free offices can perform the same service for the community at a lower cost than the private employment offices appears to us unfounded. There are no available statistics which can be used for the purpose of making such a comparison between the two systems except in regard to the cost per capita of positions secured; and, entirely apart from the unreliability of the statistics of the State free offices on this point (see part III. of this report), we are satisfied that this cost per capita, even if correctly estimated, is by no means the true test of efficiency. The State free offices certainly cannot do the same amount of work which the private offices do at a lower cost, for the private offices are now doing their work at bottom prices. They incur only necessary expenses and earn no more than fair compensation. If, therefore, the State free offices do operate at a lower cost per capita, they must accomplish this result by doing less work on each individual case, and it is well known that this is what they do. They do much less work than the private offices in the direction of investigating the character of each individual applicant and trying to fit the right man into the right place.

Such being the case, the question of comparative efficiency is not to be decided by the cost per capita alone, but by the cost per capita as compared with the service rendered per capita. For example, if it could be shown that the additional work done on each case by the private offices enables them to render an average service per capita represented by a position lasting one year, and that the average service rendered by the State free offices with less work per capita is a position lasting only two months, it would follow that the private offices could charge six times as much as the State offices and still be costing the community no more. Of course, we cannot prove definitely by this that the private offices are more efficient, but neither can those who believe



in the State free offices as the proper medium for the relief of all unemployment prove that they are right. We are content to rest, however, upon the proposition that the private offices are trying to do the kind of work the community wants, and that if the cost per capita is higher, it is because the community wants more work per capita, and believes that it pays in the long run, whereas the State free offices are trying to do the work at the lowest possible cost per capita, or, in other words, with a minimum amount of work per capita, regardless of the wishes of the community and of the ultimate value of the service as a whole. With the private offices the cost per capita is automatically regulated by competition and experience, in accordance with the best interests of the community, and if the State free offices attempt to reduce this cost they must inevitably lose in efficiency.

The above reasons seem to us sufficient to dispose of the arguments that State free offices are better than private offices because they are cheaper. The question still remains, however, whether, if the State free offices were to change their methods, and do more work and spend more money, they would not then exceed in efficiency the work of the private offices. In our opinion they would not. For well-known reasons we never think of establishing governmental grocery stores and governmental dry goods shops in the hope of having the community better served than by private enterprise. The same reasons should clearly govern our attitude towards employment offices, unless it is shown that the employment office business is different from other businesses. It is true that the public is perhaps more vitally interested in the employment office business than in most other businesses, and it is also true that the employment office business is one in which fraud and imposition are peculiarly possible. The fact that we are especially anxious to have this business well carried on, however, does not show or begin to show that it will in fact be better carried on by governmental agencies than by private offices; and believing, as we do, that fraud and imposition can be reduced to a negligible minimum by

proper regulations, we reach the conclusion that in this as in all other businesses the best guarantee of efficient public service is the stimulus of competition for public favor, and of the struggle for success among private individuals engaged in the business as a means of earning a livelihood.

We repeat, therefore, that in our opinion no attempt should be made to set up a system of State free offices as a substitute for the private employment offices, and that the latter should be regarded as the recognized and proper medium for bringing together the ordinary employee out of employment and the ordinary employer with employment to offer. At the same time, as above suggested, and as more fully explained in part III. of this report, we also believe that State free employment offices have many extremely useful special functions to perform, and should unquestionably be continued in existence and developed along the lines hereinafter suggested.

In spite, however, of our belief in the utility and importance of private employment offices, and in spite of our firm conviction that their sphere of activity ought not to be in any way diminished by legislative enactment, we are equally convinced that the best interests of the community demand that they should be thoroughly regulated and supervised by the government. This is a business in which fraud and imposition are peculiarly possible. The business is one requiring little or no capital, and so may be taken up easily by irresponsible and unscrupulous persons. Persons with whom the employment office keeper deals are to a large extent ignorant, and in many cases so driven by the necessities resulting from unemployment as to be willing to put up with anything if only they can get employment. Furthermore, the nature of the business itself affords unusual opportunities for fraud, for the reason that the work of the office keeper is done in the dark. He knows what opportunities for employment exist and where they exist, but the applicant for employment knows nothing except what he is told. If the applicant is made to pay a fee, and is then sent to a distant place for employment and finds the posi-

tion taken, how does he know and how can he prove that the office keeper knew that the position was taken, and sent him there only as an excuse for getting a fee, and in the hope that he would never come back? If the applicant gets no position for several weeks, how does he know and how can he prove that there were positions that he might have had, and that he is being kept waiting until in sheer desperation he is ready to pay an exorbitant fee and say nothing about it in order to obtain employment again? If the applicant gets a position and holds it for a short time, only to lose it for no fault of his own, how does he know and how can he prove that the office keeper has subsidized the foreman, who discharged him to change employees as often as possible so as to increase the profits of the office? We have, then, a business which may easily be taken up by cheaters, in which the persons to be dealt with are, on the whole, rather easy to cheat, and in which, because of the nature of the business, it is particularly easy to cheat without being detected, and it is for this reason that governmental regulation and supervision are deemed necessary.

But why, it may be asked, do we need to regulate this business and not other businesses? Suppose the opportunity for fraud is somewhat greater here, is it not true that competition will destroy the fraudulently conducted office, and that only honest office keepers can succeed? The answer to these questions is threefold. In the first place, fraud in this particular business is so much easier than in most businesses that, even if competition will eventually drive a dishonest office keeper out of business, he can nevertheless flourish for a time, and do much harm before his methods are discovered. Thus we find that in some of our Massachusetts cities, where there is practically no regulation or inspection of employment offices, there is a constant succession of undesirable persons engaged in the business, each of whom has his fling, and makes what he can by corrupt methods, and then disappears. In the second place, because of the secrecy with which an employment agent may conduct his business, and because of the fact that he deals for the



most part constantly with new clients, and not with an established list of patrons, the effect of competition as a corrective force is very much less than in most businesses and an office keeper who is not too openly dishonest may continue in business and prosper for a long period of time. In the third place, the employment office business is one in which the community is more vitally interested than in most businesses. Unemployment results in evils which are not confined to the anxiety and hardships of the unemployed themselves. It is a direct injury to the community as a whole, through lack of production, increase of poverty which must be relieved by the community, and the increase of crime which it undoubtedly causes. Therefore, the employment office, standing as it does as the means of communication and negotiation between the unemployed and the employers with work to be performed, is a thing in which the community is vitally interested. If this work is properly done, unemployment and misemployment will be greatly reduced. If the work is badly done, unemployment and misemployment may be tremendously increased. Even then, if this business were no more open to fraud than other businesses, the community might well see fit to regulate it because of its special importance; and being, as it is, particularly open to fraud, the community cannot well afford to allow it to go unregulated.

That the policy above outlined has been acted upon in many other communities is shown by a study of the laws of other States, for there are 21 States other than Massachusetts in which, to a greater or less extent, the business of private employment offices is regulated by statute. Taking it as established, then, that the policy of governmental regulation of employment offices is a wise and necessary policy, the question comes as to the extent and manner of regulation.

A brief study of the laws of other States will show that the laws of Massachusetts with relation to private employment offices are very much less complete than the laws of many of the other States, and that even the rules established by the Licensing Board of the City of Boston are in some respects



less thorough than the laws of other States. In general it may be said that those States which have legislated most recently upon this subject appear to have more thorough laws than we have in four respects. First, they have more provisions tending to raise the standard of character of persons engaged in the business, such as the requirement of sworn application for license, requirement of a bond, etc. Second, they have more regulations in regard to the business methods required of employment office keepers, such as the keeping of books, the giving of receipts, etc. (although in this respect it must be said that the Boston rules are more nearly up to the standards of the other States). Third, they have more extensive prohibitions of specific abuses, such as division of fees with employers, false and misleading advertisements, etc. Fourth, they have more complete provisions as to the inspection of employment offices and the enforcement of the laws.

Considering the nature of the employment office business and its importance to the community, it would seem that Massachusetts might well follow the lead of the other States in the four respects above enumerated simply on general principles, and without any knowledge of local conditions as they actually exist. We know the nature of the employment office business, and we know what is likely to occur in it in the absence of regulation. Does it not follow that we should adopt all possible laws to raise the standard of character of persons engaged in the business, to insure that the business is conducted in a methodical and business-like manner, to prohibit all abuses likely to occur, and to bring about the strict enforcement of the laws?

Apart from general principles, however, we are satisfied from the result of our investigation that actual conditions as they exist in Massachusetts to-day make it necessary that we should have more complete laws and better provision for their enforcement. Outside of Boston this is unquestionably true. In most of the cities and towns the license fee required is the minimum fee of \$2 required by the statute. Many offices are allowed to exist without license; in most places little if any attention is paid to those which are

licensed; there are many offices conducted by persons who ought never to be allowed to enter the business, and cases of fraud, dishonesty and immorality are found. Even in Boston, where the license fee is \$50 or \$25, depending on the sort of business to be conducted, and the statutory requirements are supplemented by a comparatively complete set of rules, promulgated by the Licensing Board, conditions are not as good as they should be. We have easily found cases in which office keepers have accepted bribes from applicants for employment, and have refused, without justification, to make refunds of fees as required by the rules. There are unquestionably many cases of misrepresentation, and we know of at least one licensee whose moral character is known to the police to be of the very worst, and yet she retains her license. We are thoroughly convinced, therefore, both upon general principles and for practical reasons, based upon conditions as we have found them, that Massachusetts needs to-day a new law in regard to private employment offices, framed along the lines of the laws which have been passed in other States.

#### B. SPECIFIC RECOMMENDATIONS.

1. *Every Employment Agent of Any Kind who charges Fees for his Services should be required to have a License.*

The present law (Revised Laws, chapter 102, section 23) requires a license from every person who

establishes or keeps an intelligence office for the purpose of obtaining or giving information concerning places of employment for domestics, servants, or other laborers, except seamen, or for procuring or giving information concerning such persons for or to employers, or for procuring or giving information concerning employment in business.

We consider this provision inadequate. In the first place it does not require an employment agent to have a license unless he deals with domestics, servants or other laborers, or with employment in business. Teachers' agencies, nurses' agencies, theatrical agencies and some others can thus, and in fact,

do engage in business without licenses, and there is always the possibility of a difficult question arising as to whether a particular employment agent falls within the terms of the statute so as to require him to obtain a license. It seems to us vastly better that a general law should be passed requiring every kind of employment agent to be licensed if he charges fees for his services. They are all engaged in the work of relieving unemployment for profit to themselves, and while some sorts may be, and undoubtedly are, of a higher standard than others, it seems to us that everybody engaged in making money in this field, and subject to the temptations of making more money by improper methods, should be brought under supervision and control. We do not pretend for a moment that we have found any evidence of wrongdoing on the part of all kinds of offices which would thus be brought under supervision, but this appears to us immaterial. Wrongdoing is possible for any of them, and if we are to have any system of supervision at all it seems to us much more sensible to apply that system to the whole group. If one kind is excepted it is always open to another kind to ask for a like exemption, and there is the constant danger that some portion of the group as to which there is special need of regulation might thus obtain an exemption. If, on the other hand, the whole group is included, without favor or distinction, no one can reasonably ask for an exemption, or object to being included, and we shall be sure that everything necessary is being done. Furthermore, from the point of view of the continued study of this problem, and of making progress in the future, the question of actual wrongdoing is only one of many things to be considered. Constant improvement in methods and results is to be hoped for, and if all agents are licensed, such improvement is likely to be more rapid because more will be known about the problem as a whole. Lastly, if any particular agency thinks itself too good to be licensed it may be said that we know of no kind of agency, however praiseworthy it may be in fact, which is not at times subjected to suspicion and criticism. It seems to us that even the best kind of agency will gain by being placed under the



license system, for if the system is a proper one the licensing authority will then stand as a guarantee that things are as they should be, and will thus disarm unfounded suspicion and criticism. From all points of view, then, we are satisfied that the license system should embrace all kinds of employment agents who charge a fee for their services, without making any of the exemptions that are sometimes made in the laws of other States, and we have drawn sections 1 and 2 of the bill with this object in view.

Another feature of the present law as to the necessity of obtaining a license which seems to us inadequate is that it requires no license from any kind of employment agent who does not establish or keep an office. A man can spend his whole time in acting as an employment agent on street corners, or at the docks where immigrants arrive, or at places where the unemployed congregate, and yet if he keeps no office he need not be licensed. Clearly, every agent in the business should be licensed, and not merely those who keep offices. In fact, the itinerant agent would appear to be rather more dangerous than the others, for the persons with whom he would be likely to deal would probably be particularly ignorant and dependent, and having no regular office at which he could be found, and where his doings could be investigated and observed, he would run less chance of being held accountable for unscrupulous and extortionate practices. Section 2 of the bill has been drawn, therefore, so as to prohibit an unlicensed person from acting as employment agent as well as from maintaining an employment office. It will be noticed, however, that a person who should help another to secure employment on a particular occasion would not thus be rendered a criminal if he took pay for his services. For it is only employment agents who must be licensed, and by section 1 the phrase "employment agents" is defined to include only those who engage in the business of securing employment.

2. *The Power to license and supervise Employment Offices in the Larger Cities should be placed in the Hands of a State Department.*

The problem in question is too complicated to justify the hope that local municipal authorities with other duties to perform will give to it more than perfunctory, offhand attention. This is not only obvious but is also what has actually taken place in the past. Outside of Boston this power is vested in the mayor and aldermen of cities and in the selectmen of towns. The subject has received nowhere the attention that it deserves, and in most places practically no attention at all. Even in Boston, where this power in connection with the power over liquor licenses and some others is given to a special licensing board, this body has been too much taken up with its other duties to do much with the employment office question. It has had no regular inspectors to keep in touch with conditions, and during the whole course of its existence has made no special investigation so far as we have been able to discover, except one investigation, in which the investigator spent in all ninety-six hours. We do not mean to criticise the various boards of aldermen and selectmen, or the Licensing Board of Boston. The simple fact is that their other duties make it impossible for them to deal with this subject as we think it ought to be dealt with. They cannot keep constantly in touch with conditions so as to be sure that the laws are being complied with; they can hardly get to know enough about the problem to exercise properly the discretionary powers vested in them as to granting and revoking licenses and establishing rules; they certainly cannot hope to accumulate enough knowledge and information to bring about progress and improvement in methods as time goes on.

On the other hand, a State department or sub-department with no other duties to perform would give its undivided attention to this subject; would be constantly in touch with existing conditions; would accumulate from year to year, as a result of experience and observation, a fund of experience,

which would enable it not only to discharge its duties more and more efficiently as time went on, but also to recommend and bring about improvements in methods and conditions.

It seems to us too clear for argument that a State department would discharge the necessary governmental duties in relation to employment offices far more thoroughly and efficiently than they could possibly be discharged by local municipal authorities. The only question is whether the problem is large enough to justify the State department. On this point it should be remembered, in the first place, that the department can easily be made self-supporting by means of the licensing fees. Considering, further, that the problem involved bears directly upon the evils and economic losses resulting from unemployment and misemployment, and is also closely related to the many other phases of the industrial problem as a whole, we have no hesitation in saying that in our opinion the matter should be handled by a State department. In this respect we follow a precedent already established in many other States, for out of 21 States whose laws are worth studying in connection with this matter 8 have given this power throughout the whole State to a State department. These States are California, Colorado, Connecticut, Illinois, Indiana, Missouri, Ohio and Oklahoma. In 2 other States, Pennsylvania and New York, while the power is left to local authorities it is placed, in the larger cities, in the hands of a special officer having no other duties to perform, and persons familiar with conditions in these two States have advised us that in their opinion the local system, even with the special officers, is less efficient than the State system. There is, therefore, both reason and precedent in favor of adopting the State system.

We feel, however, that it would be a mistake to apply the State system to all cities and towns in this Commonwealth. The employment office problem is almost entirely a problem of the larger communities. In the smaller cities and towns the opportunities for employment are so much more limited that employees seeking work are much better able to obtain it without the services of an employment agent, and there is



little, if any, field for the employment office. There is, therefore, little to be gained by extending the State system beyond the larger cities. On the other hand, there would be a considerable increase in the expense of maintaining the State department if we were to include all the offices which may exist here and there throughout the whole State, and it would be extremely awkward for small offices located in distant parts of the State to be subject to the control of a department with headquarters in Boston. It seems wiser for these reasons to confine the State system to the larger cities, in which the offices are likely to be large enough so that it will not be a hardship for them to deal with a department in Boston, and over which the State department can exercise its powers without maintaining an organization or incurring expenses out of all proportion to the magnitude of the problem involved and the revenue to be derived from the license fees. We have, therefore, decided to recommend that the State system be applied to the cities having a population of more than 75,000 inhabitants, and that elsewhere the local municipal system shall prevail.

The cities thus falling within the State system, according to the 1910 census, would be Boston, Fall River, New Bedford, Lawrence, Lynn, Springfield, Cambridge, Lowell, Somerville and Worcester. At the time of our investigation in the fall of 1910, there were only 2 licensed offices in Lawrence, 7 in New Bedford, 8 in Lynn and 9 in Somerville, and it might seem at first sight that these cities, or some of them, might well be excluded from the State system. Considering, however, that these are the larger communities in which employment offices are likely to spring up at any time, and also that in many of them we have found a number of unlicensed offices of questionable character, we believe it better to include them all. Furthermore, the line must be drawn at least low enough to include Springfield, with 89,000 inhabitants, for in that city there were 18 licensed offices, and conditions on the whole were distinctly bad. A line so drawn will also include New Bedford and Lynn, so that the only question, in any event, is whether to draw the



line just below Springfield, so as to exclude Lawrence and Somerville. As to this point we find that Lawrence already has 86,000 inhabitants and will probably soon cross any line that we might now draw between it and Springfield, and also lies near Lowell, which is included in any event; that Somerville already has 77,000 inhabitants and lies near Boston, and had 9 licensed offices at the time of our investigation, and that there are at present no other cities which have as many as 60,000 inhabitants. Under all the circumstances, it seems best to draw the line at 75,000, and thus create a distinct group of larger cities in which there is not likely to be any change for some time to come. To reduce the limit to 50,000 would be hardly worth while, as it would only include Holyoke and Brockton, where there are no offices of any importance. To reduce the limit to 25,000 would include Newton with 12 offices, Fitchburg with 7 offices, and Brookline, Quincy and Pittsfield with 6 offices each, but this would seem plainly undesirable, as it would also include 8 other widely scattered cities and towns, 3 of which had no offices and 2 of which had less than 3 offices.

Turning now to the question of the practical operation of the system of State control in the larger cities, we urge strongly that if the Legislature shall create the State Board of Industrial Inspection, as recommended by the Commission on Factory Inspection, the power to license and supervise employment offices be given to this board, in the manner indicated in the bill hereto annexed. The duties of this board, if it is created, will be in general to see to the enforcement of many laws relating to industrial employment, which are so complicated and of such a nature that to leave them to be enforced by ordinary methods is out of the question. It is not to be expected that either the ordinary police authorities, or persons affected by these laws, will be thoroughly enough informed in regard to them to complain of and to prosecute violations with anything like satisfactory thoroughness. A system of regular inspection by trained inspectors is needed. The laws concerning employment offices are similar in character and relate as well to industrial employment.

It seems to us most fitting that the enforcement of these laws should be placed in the hands of the department referred to if it is created.

We have recommended that a special salaried official be appointed by the State Board of Industrial Inspection, who, with no other duties to distract him, shall issue and revoke the licenses. This official would be constantly in touch with conditions through the reports of trained inspectors, and wrongdoing would be promptly punished, either by prosecution or revocation of license. The office being a special one for this purpose only, knowledge and experience gained from time to time would be accumulated and preserved. Beyond this we have given to the board itself the power to alter and add to the rules governing the fees charged by employment offices. This will insure the constant study and investigation of the problem by the board, and we should have a body, apart from the actual administrative officers, at all times watching to see whether the system of regulation was working properly, and if not, to make or suggest the necessary changes. We believe that thoroughness and progress will result if the proposed plan is adopted, and while we do not presume to express any opinion as to the general advantages or disadvantages that would result from the creation of the new board, we respectfully suggest that its suitability for this particular purpose be considered as a possible argument in favor of its creation.

We are unable to make any definite recommendation as to the course to be pursued in case the Legislature does not create the new board in the manner recommended by the Commission on Factory Inspection, for we do not know just what the situation will then be. At the present time we can only make the following general suggestions: —

*First.* — If the Legislature shall adopt the recommendation of the Factory Inspection Commission so far as to create a new board, and shall fail to carry out such recommendations only in regard to the constitution and powers of the new board, the question should be considered whether the new board as created is capable of taking over the employ-

ment office problem; and if it is, the problem should be placed in its hands under some scheme as nearly like the scheme herein suggested as is possible.

*Second.* — If no new board is created, or if the board created is such that the employment offices cannot be placed under its control, the next best thing, in our opinion, would be to place this control in the hands of the commission hereinafter recommended to supervise the State free employment offices. This plan would have all the advantages of the plan originally suggested herein, and would probably have been adopted as our primary recommendation except for one thing, that is, that it does not seem quite fair to private employment offices to place them under the control of the same department which controls the State free offices. There is some danger that such a department would be to a certain extent biased against private offices and in favor of its own free offices, and that the private offices might not get, under such conditions, the full opportunity for development and growth which we believe they should have; or at all events, that the situation might cause unnecessary friction and lack of confidence. It is true that in all other States having the State system the same department regulates the private offices and controls the State free offices, but we have been advised in regard to several of these States that the system of dual control does not run smoothly, and we believe it to be quite important to separate the two things if possible. However, this is, after all, a secondary consideration, and, in our opinion, should be disregarded rather than have the control left with municipal authorities or pass to any other existing State department.

3. *Licenses should be of Three Sorts, designated as Class I, Class II and Class III, and Different Rules should govern Each Class.*

The employment offices existing in Massachusetts to-day may be divided into three fairly well-defined groups, each of which so far differs from the others with reference to the amount of fees charged for services rendered, the time of col-



lecting such fees, and the manner of refunding the same, that if these matters are to be regulated by law it is necessary to have three sets of regulations, one for each group. This was recognized in the rules established some years ago by the Police Board of Boston and still adhered to by the present Licensing Board. These rules provide for licenses of two sorts, each governed by a separate set of regulations. This classification covers two of the three groups of offices above referred to, but does not cover the third group for the reason that the offices in that group have not as yet been required to have licenses. We recommend the continuance of this system and its application to the whole State, but with some alterations, and the addition of a third sort of license, which now becomes necessary because of the inclusion of all kinds of offices in the license system.

The plan suggested is a complicated one to work out, and because of this we have carefully considered the merits of the simpler system in force in Pennsylvania. There only one form of license is issued, and there are no regulations in regard to fees except that each licensee shall post a schedule of the fees to be charged and send a copy of the schedule to the licensing authority, and adhere to the schedule in practice. This plan insures publicity, prohibits the taking of extortionate fees or bribes in special cases, and it must be admitted that competition among the established offices is undoubtedly sufficient to keep the general run of fees down as low as they can be kept by regulation. For several reasons, however, we prefer the Boston system of classified regulation. In the first place, that system has the advantage of standardizing fees. It tends to make fees and refunds uniform in all offices of the same kind, so that employees will know that wherever they go they will receive the same treatment in this respect, and inspectors will know, without going through a mass of records, what fees each particular office is entitled to charge. In the second place, the Pennsylvania system offers an additional temptation to an unscrupulous person who opens an office simply for the purpose of collecting as many fees as he can with as little work as pos-

sible before knowledge of his methods or detection in some wrongful act drives him out of business. If all fees are limited there is less chance for piratical excursions of this sort into the employment office field. Lastly, we may add that all persons whom we have interviewed on this subject believe that the Pennsylvania system should not be adopted in Massachusetts, and that it is necessary to limit the amount of fees chargeable. As above pointed out, regulation of fees necessarily means classification, because of the different kinds of employment offices in existence; and, therefore, the only logical result, once it is decided to regulate the fees, is to adopt the Boston system, enlarged to include three groups instead of two, as at present. We now pass to the consideration of the three groups of employment offices and of the rules that we have suggested for each group.

#### *4. Rules for Class I Licenses.*

The first group of employment offices, for which Class I licenses and Class I rules are provided, consists principally of the offices whose main business is to supply domestic servants. This group is now known in Boston as Class II, and is governed by the Class II rules of the Licensing Board of Boston, which are printed in the Appendix. The chief characteristics of these rules are that the fees allowed are small compared with the fees charged by offices in other groups; that the employer pays a fee as well as the employee, and that fees are collected in advance of the actual beginning of the employment, with a suitable provision for refund in case the expected employment does not take place. We believe that these rules are, on the whole, satisfactory and sufficient, and have adopted their principal features with some changes, which are explained below.

As to the maximum fees to be charged we have made no change. The amount now allowed is one-fourth of a week's wages in the case of male employees and one-fifth of the week's wages in the case of female employees. It may seem strange at first sight that an office in this group may charge only \$2 for placing a cook who earns \$10 a week while an office in the

mercantile group may charge \$10 for placing a bookkeeper at the same wages. It must be remembered, however, that the employment obtained by offices in this group is in many cases not of long duration; that it offers practically no opportunity for promotion or advancement, and that the employee out of work comes back to the office for another position and pays another fee with much more regularity than in the mercantile or business group. It must also be remembered that the shortage of the supply of employees in this group makes it possible to charge the employer a fee equal to that charged the employee, so that, although the fee allowed in the case of a \$10 cook is only \$2, this fee is collected twice, and the office earns \$4. It is likewise beyond question that the shortage of employees makes employers more dependent upon the employment offices in this group, so that a greater proportion of them seek the services of the offices without solicitation, instead of trying to obtain employees in other ways. This makes the task of the offices easier. Under all the circumstances we are satisfied that the fees allowed by the Boston rules for this group are large enough, and we find in practice that they are perfectly satisfactory to all office keepers in Boston, and not exceeded by reputable offices elsewhere in the State, except, perhaps, in a few isolated cases, where a flat rate is charged, which exceeds the fractions above mentioned in the case of low-paid positions. A slight readjustment could be made without hardship in these few instances.

Some employers have suggested to us that a flat rate should be established in place of the sliding scale. It is said in support of this suggestion that the office does as much work in placing \$4 servants as in placing \$10 servants, so that a flat rate would be more equitable. It is said, further, that under the sliding scale the office is tempted to influence employees to demand higher wages, so that the office may get larger fees. We do not feel the force of these arguments. We are inclined to think that in the average case more trouble and pains are involved in placing a highly paid servant than in placing a low-paid servant. In any event, the employment offices need all they can earn under the present system, and it seems to us



much fairer that the higher-paid servants should continue to pay what they now do than that the lower-paid servants should be charged more. The fear that under the sliding scale the offices induce servants to get more than they are worth appears to us groundless. Servants are, of course, always trying to get as much as they can without the help of the offices, and even with such help they cannot possibly get more than the employers, as a whole, are ready to pay. If the influence of the office does in fact help servants to get as much as they are worth to employers instead of taking less we see nothing to complain of.

As to the time of collecting the fees, we have made no change in the Boston rules. It is ordinarily dangerous to permit offices to collect their fees before the employment is actually secured. The office is tempted to exaggerate the chances of obtaining employment so as to induce as many employees as possible to pay their fees, for if the fees are once paid a certain proportion of those who paid them will neglect to come back and reclaim them even if employment is not secured, and a further proportion, instead of insisting upon a refund and looking elsewhere for employment, will wait around until the office finally secures them positions. In this particular group of offices, however, the fees are small and the employment is not of a business nature, and under these circumstances the loss and expense of collecting the fees after the employment has been secured would be out of all proportion to the amount involved. Therefore we believe that the Boston rules are right in permitting the fees to be collected from employees either when the employee is engaged at the office or sent from the office to apply for employment, with a suitable provision for refund if employment is not secured. We see no objection to the provision allowing fees to be collected from employers at the time of application, for they are amply able to look out for themselves.

The first change which we have made in the Boston rules is to add a provision governing the amount of fees chargeable for temporary employment, as to which those rules contain no provision. We have adopted two weeks as the period



of employment for which the full fees may be charged. For employment of this length the fees allowed amount to one-eighth and one-tenth of the total amount earned in the case of males and females, respectively. For shorter employment we have preserved these same fractions, and limited the fee to one-eighth and one-tenth, respectively, of the amount earned during the engagement. This seems to us a necessary and obviously fair provision.

Several changes have been made in the Boston rules as to the refunding of fees. The rules provide for a refunding of the total fee paid by an employee sent to apply for employment if the expected employment is not secured, and of the total fee paid by an employer who has applied for but does not engage an employee. We have added a provision for refund to an employee who, after being engaged by an employer, is not permitted to go to work, and a provision for refund to an employer if the employee, after being engaged, fails to report for duty. Such disappointments sometimes occur on both sides, and among the best offices a refund is always allowed to the person disappointed. It is quite clear, we think, that a refund under such circumstances should be made obligatory upon all offices.

The Boston rules contain provisions to the effect that two-fifths of the fee paid by an employee shall be refunded if the employee is discharged within ten days, and that the same portion of the fee paid by an employer shall be refunded if the employee leaves within ten days. These provisions rest, of course, upon the principle that the office should not be entitled to the whole fee unless it does its work honestly, carefully and well enough to insure at least ten days of work for an employee and ten days of service for an employer. It may be argued against this principle that the work of the office is done when the parties are brought together and enter into their contract; that they have then had an opportunity to interview each other, and have voluntarily decided to assume the relation of employer and employee, and that it is their lookout and not the lookout of the office if the contract into which they enter with their

eyes open does not work well. In spite of this argument, however, we believe that because of the possibility of misrepresentation and even actual collusion on the part of the office keeper the principle underlying the provisions in question is sound, and that offices should guarantee a certain duration of employment in order to retain the whole fee. We have, however, made some changes in the rules based upon this principle. Having adopted two weeks as the period of employment for which the full fee may be charged at the outset, we believe that two weeks of employment instead of ten days should actually result in order that the full fee may be retained. Having made this change, it is obvious that two-fifths of the fee is too much to refund if the employment lasts until within a day or two of the full two weeks, and we also believe that two-fifths is too small a refund if the employment terminates within a day or two after it begins. Why should three-fifths of the fee paid by an employer be retained if the employee stays but one day, and why should a housemaid who is engaged at \$6 a week, and has paid \$1.20, expecting a permanent position, get back only 48 cents if she is discharged the day after her arrival? We think it fairer to make the refund proportionate to the time during which the employment actually continues, that is, to allow the office to retain one-eighth and one-tenth, respectively, of the wages of the employee for that period, and compel a refund of the rest.

We also believe that the refunds in case of the termination of employment within two weeks should be made to both parties in all cases, without inquiring into the cause of the termination of the employment. It is often very difficult to determine whether the employer or the employee in fact terminated the employment. Oftentimes each will contend that the other did so, or at all events that it was caused by the wrongful act of the other. If the right to a refund is to depend upon these difficult and often disputed questions of fact many refunds would be lost, for the game of establishing the facts will be hardly worth the candle. Furthermore, we think it not at all unfair that each party to the employment contract

should have a trial period in which to test the suitability of the arrangement recommended by the office, and if that arrangement proves unsatisfactory, should pay only for the time spent in testing it out. For all of the above reasons we have suggested a rule which provides simply that if the employment terminates within two weeks the office may retain one-eighth or one-tenth, respectively, of the wages for the period during which the employment continues, and shall refund the balance to both employer and employee. This is a perfectly simple, workable rule, involving no difficult questions of fact. It will tend to make the office particularly careful to bring together employers and employees who will be suited to each other, and in our opinion is more satisfactory than the present rule.

The refunds provided for by the Boston rules are not absolute and unconditional. If an employer demands a refund the office is allowed four days of grace in which to furnish another employee, and if this is done the refund need not be made. Similarly, if an employee demands a refund the office has four days in which to furnish another situation. In our opinion the right to refunds should be absolute and unconditional. We have found that under the present system many offices are extremely retentive of fees once collected. The inch of leeway allowed is easily stretched to an ell by constantly referring the applicant to place after place at which there is little hope of employment, and by plausible statements about something turning up soon, and it is undoubtedly true that an office which can collect and retain a fee from an applicant can easily make the applicant wait until it secures her a position, whereas if the fee had been refunded the applicant might have secured a position much more quickly in some other way. We recommend, therefore, that an applicant who has paid a fee for employment which does not materialize should have an immediate and absolute right to a refund. The office will be amply protected, because when another position is recommended the fee may be again collected. It would, of course, make useless bother if all fees were to be refunded and recollected in this fashion until employment



was actually secured, but there is no need of this in practice. In most cases where the office is known to be doing its best, fees once paid will undoubtedly be left on deposit until employment is secured. Our point is simply that if the applicant wants a refund the right to it should be absolute and immediate.

The only other change which we have to recommend in regard to the rules applicable to Class I licenses is to omit altogether the statement of the kinds of employment with reference to which persons holding such licenses may conduct their business, and to permit them to act with reference to all kinds of employment so long as they observe the rules as to fees and refunds. The managers of employment offices in this group who are now subject to the Class II rules of the Licensing Board of Boston have stated to us repeatedly that there are certain kinds of employees for whom they could and would secure positions except for the fact that such employees are not included within the kinds of employments mentioned in the rules. As the offices in this group charge lower fees than those in any other group, it is obvious that they ought to be allowed to operate in any branch of employment in which the work done by them is satisfactory to employers and employees. The attempt to define the occupations with which they shall deal is therefore useless. With reference to the other groups of offices, in which larger fees are permitted, it will be necessary to consider whether certain kinds of employment ought not to be forbidden in order that for those kinds of employment the lower fees of this group should prevail. But here we have a group in which the lowest fees of all are charged, and we can see no reason for prohibiting offices in this group from doing any kind of work which they can get. If the result of this is to take away some business from the other groups of offices it will be, after all, only fair competition, and a gain will be made by having the work done at lower fees. As a matter of fact, it is inconceivable that much business would be taken away from the other groups, for they deal mainly with branches of employment in which the supply of employees exceeds the demand.

Because of this, employers will not pay fees, and at the same time the task of the employment office is more difficult. It is idle to suppose that offices in this group could afford to do enough work to get this sort of business for the very small fee which they could charge to the employees. The whole effect of allowing this group of offices to operate in all kinds of employment would be, therefore, that in certain particular instances, not now enumerated in the Boston rules, they could do work which they are now prevented from doing.

#### 5. *Rules for Class II Licenses.*

The type of employment office for which Class II licenses and Class II rules are provided is the one which deals generally with all kinds of employment in business, using the word business in its broadest sense, to include all kinds of manufacturing, mechanical and mercantile establishments, professional offices, hotels and restaurants, and, in general, all enterprises conducted for profit. Such offices are at present known in Boston as Class I offices, and are subject to the Class I rules printed in the Appendix. These rules allow a fee equal to one week's wages to be charged the employee for each position secured, but do not limit at all the fee charged the employer. We have followed the rules in both these respects.

As has been pointed out before, the supply of employees in this group constantly exceeds the demand. For every vacant position there are numbers of workers lower down in the scale of employment to whom the position would be a step in advance. The condition of affairs is illustrated by the number of correspondence schools which advertise so freely under such headlines as "increase your wages," or "are you getting ahead?" Whether or not there are immediately available persons out of employment to fill vacancies as fast as they occur in all communities, the fact remains that each vacant position in this field of employment represents to a vast number of workers a higher rung on the ladder than they have yet reached, and one which they are eager to grasp. This fact explains at the same time why it is not necessary

to regulate the fees charged employers, and why the fees charged to employees must be larger than in the case of the first group of offices. It is not necessary to regulate the fees charged to employers simply because they can obtain employees so readily without the services of an employment office that they will not pay fees at all. It is necessary to charge higher fees to employees partly because the employers pay nothing and partly because the offices must do more work. They must solicit employers to deal with them, and take great pains to satisfy them in order to prevent them from filling their vacancies in other ways; as, for example, by advertisement, by the posting of notices, from persons suggested by employees already in their service, or from waiting lists of voluntary applicants. Employees who obtain this sort of service from an employment office must expect to pay for it, for to employees who are worthy of having such work done for them each position so secured will mean in a large number of cases a step in advance, permanent employment for a long period, and the possibility of further advancement in the future. The fee of one week's wages allowed by the Boston rules has been established and maintained as the result of long experience. It does not enable licensees to earn more than fair compensation, and we are satisfied that it is in every way fair and reasonable. We have not been asked to recommend a higher fee, and the character and ability of the managers of the leading Boston offices in this group show plainly that no such recommendation is necessary.

We have also followed the Boston rules as to this group in forbidding the collection of the fee until the employment is actually begun. This is always desirable if practicable, and experience in Boston has shown that in this group of offices it is practicable, even when only half a week's wages is charged.

As to the term of employment for which the whole fee may be charged, the amount allowed for shorter employment and the refund to be made if the employment terminates sooner than expected, we have followed the Boston rules, with two changes. Our rules provide that if employment does not



actually last six weeks (for which period the fee allowed would be one-sixth of the total amount earned) the total amount collected and retained shall not exceed one-sixth of the wages for the period during which the employment actually continued, that is, one-sixth of a week's wages for each week and a corresponding portion of a week's wages for each fraction of a week. The first respect in which this differs from the Boston rules is that they allow the office to retain one-sixth of a week's wages for each week of actual employment and an additional one-sixth of a week's wages for a fraction of a week. Certain office keepers suggested to us that this should be changed, and it seems to us fairer that the office should not retain one-sixth of a week's wages for a fraction of a week of employment, but only a corresponding portion of that amount. The second departure from the Boston rules on this point is that by our rules the same refund is always required if the employment terminates with six weeks, without reference to the cause or manner of termination. The Boston rules require the refund only in case the employee is discharged, except that if he voluntarily leaves within three weeks he may reclaim three-fifths of the fee. The last part of the above provision is a step in the right direction, but it will be seen that if the employment terminates during the last three weeks of the six weeks' period the employee can get no refund without proving that he was discharged, and that if the employment terminates within a day or two after it begins he can get back no more than three-fifths of his fee without proving that he was discharged. For the reasons fully explained under the Class I rules we believe it advisable to avoid all disputes on questions of fact, and to allow the employee a probationary or trial period at the risk of the office by providing the same proportional refund for short employment in all cases, without reference to the cause of termination.

We come now to the consideration of a departure from the Boston rules as applicable to this group of offices, which is of much more significance than the points already discussed. As in the case of Class I licenses, we have omitted the enu-

was actually secured, but there is no need of this in practice. In most cases where the office is known to be doing its best, fees once paid will undoubtedly be left on deposit until employment is secured. Our point is simply that if the applicant wants a refund the right to it should be absolute and immediate.

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Because of this, employers will not pay fees, and at the same time the task of the employment office is more difficult. It is idle to suppose that offices in this group could afford to do enough work to get this sort of business for the very small fee which they could charge to the employees. The whole effect of allowing this group of offices to operate in all kinds of employment would be, therefore, that in certain particular instances, not now enumerated in the Boston rules, they could do work which they are now prevented from doing.

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to regulate the fees charged employers, and why the fees charged to employees must be larger than in the case of the first group of offices. It is not necessary to regulate the fees charged to employers simply because they can obtain employees so readily without the services of an employment office that they will not pay fees at all. It is necessary to charge higher fees to employees partly because the employers pay nothing and partly because the offices must do more work. They must solicit employers to deal with them, and take great pains to satisfy them in order to prevent them from filling their vacancies in other ways; as, for example, by advertisement, by the posting of notices, from persons suggested by employees already in their service, or from waiting lists of voluntary applicants. Employees who obtain this sort of service from an employment office must expect to pay for it, for to employees who are worthy of having such work done for them each position so secured will mean in a large number of cases a step in advance, permanent employment for a long period, and the possibility of further advancement in the future. The fee of one week's wages allowed by the Boston rules has been established and maintained as the result of long experience. It does not enable licensees to earn more than fair compensation, and we are satisfied that it is in every way fair and reasonable. We have not been asked to recommend a higher fee, and the character and ability of the managers of the leading Boston offices in this group show plainly that no such recommendation is necessary.

We have also followed the Boston rules as to this group in forbidding the collection of the fee until the employment is actually begun. This is always desirable if practicable, and experience in Boston has shown that in this group of offices it is practicable, even when only half a week's wages is charged.

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actually last six weeks (for which period the fee allowed would be one-sixth of the total amount earned) the total amount collected and retained shall not exceed one-sixth of the wages for the period during which the employment actually continued, that is, one-sixth of a week's wages for each week and a corresponding portion of a week's wages for each fraction of a week. The first respect in which this differs from the Boston rules is that they allow the office to retain one-sixth of a week's wages for each week of actual employment and an additional one-sixth of a week's wages for a fraction of a week. Certain office keepers suggested to us that this should be changed, and it seems to us fairer that the office should not retain one-sixth of a week's wages for a fraction of a week of employment, but only a corresponding portion of that amount. The second departure from the Boston rules on this point is that by our rules the same refund is always required if the employment terminates with six weeks, without reference to the cause or manner of termination. The Boston rules require the refund only in case the employee is discharged, except that if he voluntarily leaves within three weeks he may reclaim three-fifths of the fee. The last part of the above provision is a step in the right direction, but it will be seen that if the employment terminates during the last three weeks of the six weeks' period the employee can get no refund without proving that he was discharged, and that if the employment terminates within a day or two after it begins he can get back no more than three-fifths of his fee without proving that he was discharged. For the reasons fully explained under the Class I rules we believe it advisable to avoid all disputes on questions of fact, and to allow the employee a probationary or trial period at the risk of the office by providing the same proportional refund for short employment in all cases, without reference to the cause of termination.

We come now to the consideration of a departure from the Boston rules as applicable to this group of offices, which is of much more significance than the points already discussed. As in the case of Class I licenses, we have omitted the enu-

meration of the kinds of employment with reference to which licensees may do business. It is clear that the only possible reason for such an enumeration is to make sure that certain kinds of employment will be dealt with at the lower scale of fees permitted for Class I licensees. Class III licenses are intended, as will appear later, for a group of specialized employment offices which do special work in some particular branch of employment, and such licenses can only be obtained by satisfying the licensing authority that in view of the special nature of the work the business cannot be carried on under Class I or Class II rules. There can be no reason whatever for excluding the general mercantile offices from any branch of employment in which a special agency is at work. If in competition with the special agencies the mercantile offices can get the business or any part of it under rules which are found satisfactory for all kinds of employment generally, there is no reason in the world why they should not do so. Is it then necessary to provide that certain kinds of employment should be handled only at the lower scale of fees permitted by the Class I rules? In our opinion this is not necessary. The greater part of the business which we should include in such a provision if we were to adopt it will not stand higher fees than those permitted by the Class I rules, and is of such a nature that the advance collection of fees is a practical necessity. If any particular office should attempt, for example, to place domestic servants under a Class II license it would find, first, that the competition of the other domestic offices would prevent it from charging higher fees; and second, that such fees as it did charge could not be collected in advance. In addition to this it would have to pay a higher license fee for the privilege of making an obviously unwise venture. We are satisfied, therefore, that in the main employees now served by the offices for whom Class I licenses are provided need not have the slightest fear that those offices will take out Class II licenses and charge them higher fees.

It may still be urged against the plan proposed that even if the established offices would elect to take Class I licenses



for all the business that we should like to have done under Class I rules it would still be possible for the unscrupulous adventurer to take a Class II license for the purpose of fraudulently collecting large fees for a short time, and that we ourselves have urged the limitation of fees in order to lessen the temptation to engage in adventures of this sort. Our previous remarks, however, were directed against the Pennsylvania system of allowing each office to fix its own fees, — a system under which no fixed standards or well-defined groups of offices are provided for. Under the system which we propose there appears to us no question that reputable offices of the first group will take out Class I licenses and form a well-defined class with a fixed standard of fees. Under these circumstances the unscrupulous adventurer will advertise himself for what he is by attempting to disregard the established and well-known standards for the kind of business in which he is engaged, and, it seems to us, need not be feared.

We feel, then, that there is no possible danger in leaving natural causes to determine what business shall be done under Class I rules. The absence of danger, however, does not sufficiently explain the affirmative reasons for our action in changing from a system of classification by definition of occupations to a system of classification by natural selection. We recommend the change, in the first place, because it appears to us that the classification by definition cannot possibly be made accurate and complete. There are certain occupations as to which it cannot and ought not be said that Class I offices should do the whole work. Take, for example, the question of cooks as dealt with by the present Boston rules. Domestic offices are allowed to place cooks by the Class II rules, and mercantile offices are allowed by the Class I rules to place employees in hotels and restaurants, including, of course, the cooks in such places. In other words, cooks in hotels and restaurants may be placed by both kinds of offices, and this is right, because in some hotels and restaurants the employment is practically like domestic employment, and in others it takes on the nature of business employment. There

are undoubtedly other occupations in which the employment is of such a nature that in some places one group of offices ought to do the work and in other places it ought to be done by the other group. The definition by occupations, therefore, in order to avoid doing actual mischief would have to be so drawn as to leave all really doubtful cases to natural selection in any event.

In the second place, we recommend the change under discussion for the reason that classification by definition is arbitrary and inflexible. In the regulation of any business there is always a grave danger that progress and growth will be stifled by artificial rules and limitations. As far as possible the business should be allowed an opportunity to develop along natural lines. Let us suppose, for example, that in a certain branch of employment into which mercantile offices were forbidden to enter it should appear that there were a limited number of very desirable positions. These positions might be so desirable that the employers would not pay fees to employment offices for filling them, and because of this it might be wholly unprofitable for offices to try to fill them except for a fee at least equal to one week's wages. Employees, on the other hand, might be quite willing to pay a week's wages in order to secure these positions. If mercantile offices were not permitted to enter upon this branch of employment at all the positions described could never be filled by any employment office. The system would be working badly. The flexibility of the plan suggested, however, would provide for just such a case, and, in our opinion, it is of great importance that the business should not be too closely tied down by hard and fast limitations. We therefore feel that it is best to allow the business to be divided by natural selection between the two groups of offices which we have thus far discussed.

There is only one other point to discuss in connection with the rules for Class II licenses. An appreciable number of offices find it profitable to conduct under one management both a Class I office and a Class II office. In order to accomplish this result under the present Boston system it is nec-

essary for them to take out and pay for two licenses. To provide for offices of this sort we have added a rule permitting a Class II licensee to elect to do any portion of his business which he desires under the Class I rules. This avoids the useless formality of taking out two licenses, without causing any additional confusion or uncertainty, for each licensee making such an election is required to post a statement showing what portions of his business he intends to conduct under the Class I rules, and to send a copy of the statement to the licensing authority.

#### 6. *Rules for Class III Licenses.*

The result of including all employment offices in the license system is to include several kinds of offices which have never before been regulated or controlled in any way in Massachusetts, and which are still exempted from regulation in some other States. While we believe, for reasons explained above, that these offices should be licensed, we also believe that great care should be taken not to hamper or impede the conduct of their business along the lines to which they have become accustomed.

We deal here with a group of offices which, instead of dealing generally with various kinds of employment, specialize in some particular branch of employment. This means that the managers must have special knowledge and experience in regard to the employment with which the office deals, and that extraordinary care and attention must be devoted to investigating the character and ability of each individual applicant and the nature of each particular situation, and the suitability of the one for the other. The special nature of the work also makes it possible to cover a much wider field than can possibly be covered by the general employment office, and some of these offices located in Massachusetts operate in all parts of the United States, and, to some extent, in foreign countries. This wide range of activity tends to further increase the care with which the office must do its work, for employer and employee in many cases cannot interview each other at all, and in many more cases cannot interview each



other without considerable expense, which ought not to be incurred unless employment is a hopeful possibility. The wide range of activity also increases the expense incurred by the office for advertising and for correspondence by letters or telegrams.

It is obvious that for offices of this class neither the Class I rules nor the Class II rules are satisfactory. In some cases it is necessary that a preliminary or registration fee should be charged to cover the expense and trouble of investigating each applicant before he is even recommended for a position, and in other cases it is necessary and proper that the total fee charged should exceed the amounts allowed by the rules for the other groups. It is also obvious that no special set of rules can be drawn for this group as a whole, because it comprises different kinds of employment in which different conditions prevail. We have, therefore, provided no special rules for this class, except the provision in section 15 that each licensee shall file with the licensing authority a copy of the form of contract into which he proposes to enter with applicants for employment, and that the license may be withheld or revoked if this form of contract is unfair or oppressive; and the provision of section 16 that the licensee shall post in his office, and adhere to in practice, a definite schedule of fees, and that the license may also be withheld or revoked if the fees shown by this schedule are exorbitant. Except for these provisions licensees in this group are permitted to charge such fees and make such arrangements in regard to refunds as the nature of their business will permit.

As we have thus created a specially privileged group of licensees it is clear that this class, unlike the other two classes, should be restricted, and that only certain sorts of licensees should be allowed to obtain Class III licenses. The group must be restricted, in other words, to those licensees who need the special privileges, and to whom the special privileges may be safely given. It remains to consider the terms upon which we have provided that Class III licenses may be issued, and whether any persons are likely to get such licenses who do not

need or ought not to have the freedom which such licenses permit.

The conditions under which Class III licenses may be granted are set forth in section 5 of the bill. In substance this section provides that no office shall have a Class III license unless it is a teachers' agency, a nurses' agency or a ministerial agency, or unless its business is to be confined to some other special branch of employment, and the licensing authority is satisfied that the business cannot be conducted properly under Class I or Class II rules. The license issued will state the kind of employment to which the business is to be confined, and the licensee will be at liberty to act only with reference to the kind of employment so stated. We are confident that under these provisions every office which is fairly entitled to the freedom permitted by a Class III license will be able to obtain such a license, and also that no such license need ever be granted to any office which ought not to have so much freedom.

To begin with, the teachers' agencies will undoubtedly obtain Class III licenses, and we feel that it is quite proper that they should have them. These agencies are a notable example of the specialized agency, which, because of the expert knowledge required, the extraordinary degree of care with which the work must be done and the wide range of activity, cannot exist unless they charge higher fees than those permitted by the rules for the other groups, and cannot be properly conducted without charging a registration fee. The fee charged by all such offices in Massachusetts is 5 per cent of a year's salary, which, if we reckon one school year as furnishing forty weeks of employment, is equal to two weeks' wages, or twice as much as the amount allowed by the Class II rules. This fee has been established and maintained in the face of competition between independent, competing agencies not only in this State but throughout the whole country, and we have heard no suggestion that it is unfair or unreasonable. Certainly it would be absurd to force these agencies to operate under the Class II rules; and, in

our opinion, it is absolutely unnecessary that their fees should be regulated at all. It must be remembered that a large portion of the teachers who are paying these fees are young and inexperienced, and that by reason of the positions so obtained they acquire the experience and reputation which enables them to get other positions without paying fees. The fees are paid, in other words, for positions which not only may last several years, but which also help so to establish the teachers in their profession that continued employment for the future comes as a matter of course. We repeat, therefore, that from the point of view of the amount of their fees we think it entirely proper, and, in fact, necessary, that teachers' agencies should have Class III licenses.

From the point of view of fraudulent and dishonest practices it makes no difference whether these agencies have one kind of license or another, for the prohibitions against fraud and dishonesty apply equally to all three sorts of licensees. We think it only proper to add that we have not been able to find for ourselves, and no one has presented to us, the slightest evidence of any fraud or dishonesty on the part of the teachers' agencies of this Commonwealth. We have heard vague rumors to the effect that they have been charged with fraudulently dividing fees with superintendents of schools to induce them to create unnecessary vacancies or to fill existing vacancies with inferior teachers from the lists of the offices, in preference to better teachers which might have been obtained elsewhere. We have also heard equally vague rumors to the effect that these agencies will never recommend a young teacher, however capable, for the best possible available position, for fear that he may become too soon established in the profession and independent of the agencies, but try instead to keep all teachers as long as possible in low-grade positions. We believe that these charges, if made, are absolutely without foundation as applied to any of the teachers' agencies in this State. If, however, there should at any time be any truth in any such charge the wrong could be as speedily corrected under a Class III license as under any other form of license.

As to nurses' agencies, we believe that all the agencies



for trained nurses in the Commonwealth are honestly conducted by reputable persons. Many of them find it necessary to charge registration fees, and we think there is no question that this class of offices should have Class III licenses if they desire. The same may be said without further comment of ministerial agencies.

We have added the general provision authorizing the granting of a Class III license to any specialized agency which cannot be conducted properly under the Class I or Class II rules partly because we know of one such agency in the Commonwealth which, in our opinion, should clearly have a Class III license, and partly because as time goes on other similar special agencies may come into existence. The one agency to which we refer specializes in employees in newspaper establishments and publishing houses. It is similar in character to the teachers' agencies. The manager is a specialist in newspaper and publishing work. He professes to spend and does spend great care in investigating the character of employees and the advantages of situations offered, and the operations of this office are carried on throughout the whole country. The fees charged are slightly in excess of those allowed by the Class II rules, but because of the special nature of the work we believe that the fees are entirely proper and reasonable, and that it would be a decided mistake to hamper the activity of this office by requiring it to reduce its fees. Other agencies similar to this one, and operating in some particular branch of business, may come into existence at any time, or we may have new agencies dealing with some particular kind of professional employment, as, for example, an agency for social workers or for musicians. The bill as drawn is intended to allow for the free growth and development of such specialized agencies.

We have thus far considered certain kinds of agencies which will undoubtedly obtain Class III licenses, and which undoubtedly ought to have them. Is there any danger that such licenses will be granted to any specialized agencies which ought not to have them? In general we may say that only very little harm could result from such an occurrence in any

event, for a Class III office is subject to the same rigid regulations as other offices in regard to business methods and fraudulent practices, even if its fees are not limited. In particular we may say that we know of no specialized agencies other than those already considered which are at all likely to ask for Class III licenses, except theatrical agencies, hotel agencies and the agencies supplying foremen and superintendents in textile mills; and that so far as we can see no harm at all would result if any of these should get Class III licenses. The theatrical agencies in Massachusetts are now unregulated, and the usual fee is only 5 per cent of the booking fee; and as they book only for short engagements this amounts to even less than the amount allowed under Class I rules. So far as regulating their fees is concerned, therefore, it makes no difference whether they take Class I, Class II or Class III licenses, and the other regulations will apply to them in any event. As for the hotel agencies, there is grave doubt whether they could show that they could not operate under Class II rules, for all of them now do business without charging more than one week's wages, and some of them charge less. It is possible that some of them whose sphere of operations extends outside of the State could establish the need of charging a registration fee. If they really need to do this why are they not entitled to Class III licenses? As for the textile agencies, they, like the hotel agencies, are already thoroughly accustomed to Class II rules, and all operate for a fee not exceeding one week's wages; and unless they can show affirmatively the need of expansion they would surely be compelled to continue as at present. Furthermore, we strongly doubt if any of them would try to get Class III licenses, for some of them are, as it is, extremely unpopular with employees, and an attempt on the part of any one of them to get further latitude in regard to fees would probably lead at once to a determined boycott.

We have no fear, therefore, that the provisions which are recommended in regard to Class III licenses will operate to give any kind of employment office too much liberty. We believe, on the other hand, that these provisions are necessary

for the protection of certain special offices which need more liberty, and we have tried to make them adequate for that purpose.

7. *The Licensing Authorities should have Power to alter or add to the Rules as to Fees and Refunds for Class I and Class II Licenses.*

It will be a great source of satisfaction to us if the rules which we have recommended are found to be suited in all respects to existing conditions; but it will not be surprising if in some directions readjustments are found necessary, for the task is a complicated one, and the test of actual operation may reveal defects which no amount of forethought could have discovered. At all events it will be extremely surprising if the rules which we have recommended remain suited to conditions for a very long period in the future, for conditions will inevitably change, and the business of employment offices will undoubtedly grow and develop. Because of the difficulty of adjusting the rules to existing conditions with unfailing correctness, and because of the practical certainty that readjustments will be needed from time to time to meet new conditions, we feel very strongly that the licensing authorities should have power to amend the rules. Legislative amendment of such rules is an unwieldy process, owing to the difficulty of making so large a body familiar with the details of a problem such as this, and we believe that it is far better to make the system flexible and adjustable according to the experience and knowledge of the licensing authorities by giving them the power to amend the rules. To avoid unnecessary tinkering and ill-considered action we have provided that alterations shall not be made by the licensing authorities of their own volition more than once a year, and then only after notice to all licensees and a hearing. But at the same time, to provide for the correction of any mistake which may be made in spite of these precautions, we have provided that alterations may be made at any time on petition of half the licensees to be affected thereby. In the cities having a population of more than 75,000 inhabitants we



have given the power to amend the rules, not to the supervisor of employment offices but to the State Board of Industrial Inspection. It seems to us extremely desirable that this State department which appoints the supervisor of employment offices should be constantly studying and observing the operation of the system of regulation, and we think that this result will be obtained by giving it the power to amend the rules.

*8. Regulations are needed as to the Manner of granting Licenses.*

The regulations of this sort which we have recommended are contained in sections 6, 7 and 9 of the bill. Section 6 requires a sworn application to be filed by every applicant for a license, containing statements similar to those required by the laws of other States. Section 7 requires an investigation into the character of the persons to be connected with the office, and the location of the office; and provides that the application may be rejected only for cause and only after hearing, if the applicant requests one. Under the present Massachusetts law licenses may be withheld at pleasure, and in Boston it has been the practice to fix an arbitrary limit to the number of licenses which will be granted. We do not believe in this policy. We see no reason for excluding from this business any reputable person who wishes to enter it. In many other States it is expressly provided that licenses can be withheld only for cause, and nowhere else in the country, so far as we have discovered, has the policy of limiting the number of offices been followed. The causes for which a license may be withheld as specified in section 7 seem to us sufficient. Two of the causes which we have enumerated are, first, that some person to be connected with the office has previously been connected with an office whose license has been revoked; second, that the office is to be located in the vicinity of a saloon. Some of the other States provide that if these causes exist licenses must be withheld. We believe, of course, that the licensing authorities should have power to reject any application for either of these causes, but it seems to us better that they should also have

discretion to issue a license in spite of these causes. Section 9 provides simply for the form and contents of the license to be issued. Some States require a formal application to be accompanied by some kind of affidavits to the effect that the applicant is of good moral character. Such affidavits in many cases have very little weight, and it seems to us that the investigation provided for is a much better way of maintaining the standard of character among licensees.

*9. Licensees in the Larger Cities should be required to give Bonds.*

This is a very usual provision in the laws of other States. Our first impression in regard to it was that the bond would be of little value, for claims against employment offices are apt to be so small that they are not worth suing upon in any event. A contested claim for \$2 or \$3 does not become appreciably more valuable by reason of the fact that if it is established it may be collected from a responsible surety. Upon inquiry of the New York and Pennsylvania authorities, however, in regard to the practical utility of these bonds, we become convinced that they should be required. One of the first things which the New York authorities did after the law requiring bonds went into effect was to collect several hundred dollars from the surety of an employment agent who had defrauded a large gang of contract laborers to that extent. Furthermore, both the New York and Pennsylvania authorities advise us that the mere existence of the bond makes the collection of refunds much easier. Most of the offices give surety company bonds, and realize that in order to obtain such bonds in future years they must promptly discharge their obligations. The licensing authorities, therefore, by threatening to notify the surety company, or by actually doing so, collect promptly the sums due from the offices. The requirement of a bond will also operate indirectly to raise the standard of character and responsibility among office keepers. It surely will not be a hardship, for reputable offices in New York readily obtain surety company bonds for an annual premium of \$5, and there is no reason why the same rates should not prevail here.

10. *License Fees should be raised.*

The present Massachusetts law provides for an annual license fee of such sum, not less than \$2 as may be determined upon by the licensing authorities. In practice the minimum amount is charged throughout most of the State. In Boston the fee is \$25 for a domestic office and \$50 for a mercantile office. In a few other cities more than \$2 is charged, but nowhere more than \$10. These fees are, in our opinion, inadequate. In the first place, the fees should be made large enough so that they would have at least some effect in deterring undesirable persons from taking out licenses. In the second place, fees should be large enough to provide a fund out of which the expenses of supervising the offices and enforcing the law may be paid. In our opinion the license fees in the larger cities should be greater than in the smaller cities and towns because the offices in the larger cities will do more business. For the same reason we think that the license fees in Boston should be larger than anywhere else. Class II licensees should pay higher fees than Class I licensees, for the reason that they are operating on a larger scale of expenditure throughout; and Class III licensees should pay a still higher fee, both because they are doing a greater business and because they are obtaining special privileges, and we think it only right that the special privileges should be made more costly. In accordance with these opinions we have provided in section 10 that the license fees in Boston shall be \$25 for a Class I license, \$50 for a Class II license and \$75 for a Class III license; and in other cities under the supervision of the State department \$15 for a Class I license, \$25 for a Class II license and \$50 for a Class III license; and elsewhere such sum not less than \$5 nor more than \$25 for each class as the mayor and aldermen or selectmen may annually determine.

11. *Licenses should remain in Force for One Year.*

This recommendation is a continuance of the present Massachusetts system, and is in accordance with the laws of nearly all the other States. No comment is necessary except to say



that it is distinctly desirable to have the doings of each licensee thus called to the attention of the licensing authorities once a year. It seems better to continue the present system of having all licenses expire on the first of May rather than to have each one expire a year from the date of issue, in order that the regular work of inspection and enforcement may not be continually interrupted by the work of renewing licenses.

*12. Licenses should be Revocable only for Cause, and only after a Hearing if the Licensee Requests One.*

At present licenses may be revoked at pleasure. This is not fair to licensees or correct in theory. The system of regulation should be based on merit. Dishonest licensees should be punished, but honest licensees should be protected against arbitrary action. If after a hearing the licensing authority is still of the opinion that there is sufficient cause for revocation, we do not believe that it is necessary to provide an appeal to the courts, as is done in some States, but we do regard the finding of cause for revocation and the hearing as essential.

The causes for which licenses may be revoked are enumerated in section 12, and are, first, that the licensee has violated some provision of the act; second, that he has acted dishonestly in connection with his business; third, that he has improperly attempted to conduct his business in such a manner as to cause frequent vacancies in employment for the purpose of increasing the number of fees to be earned by him; fourth, that any other good and sufficient reason exists within the meaning and purpose of the act. These causes are surely broad enough to cover all possible cases in which licenses ought to be revoked, and it does not seem to us that they are too broad.

The first cause mentioned ought surely to be a ground for revocation. The penalties for violation are small, and sometimes conviction in court may be difficult, so that the threat of revocation is the strongest of all weapons with which to compel observance of the law. If the violations are slight or unintentional, the license need not be revoked, for we have not

provided that the licensing authority shall be compelled to revoke the license either for this or any other cause. Clearly, however, as a means of enforcing the law the power to revoke should exist for every violation.

The second cause mentioned, namely, dishonesty, is necessary for the reason that there may be some forms of dishonesty which are not expressly forbidden by the law.

The third cause mentioned is intended to give the licensing authority power to prevent the obviously bad practice of unsettling employment. This practice is in a measure guarded against by the prohibitions in section 27 against dividing fees with employers or their agents, and against persuading an employee to leave his employment or an employer to discharge an employee. It has been shown to us, however, that there are many ways in which employment offices can and to some extent do unsettle employment without actually resorting to the division of fees, or the persuasion prohibited by section 27. They can, for example, deliberately place inferior employees whom they know will not hold the positions long, or continually try to put good men into positions which they will not like or for which they are not suited. They can indirectly create discord between employers and employees, and by various methods plant in their minds the seeds of dissatisfaction. Such practices are plainly reprehensible and capable of doing much harm, and a licensee who resorts to them ought clearly to be put out of the business. Therefore, while the matter is rather too vague and indefinite for a direct prohibition, the violation of which would lead to the imposition of a penalty, we feel strongly that these practices should be mentioned as one ground for revocation.

The last cause mentioned as a ground for revocation of license may seem at first sight rather broad. It may be urged that to allow licenses to be revoked for any sufficient reason is practically the same as allowing them to be revoked at pleasure. It seems to us, however, that there is a wide difference between the two things, both from the legal point of view and from the practical point of view. As a matter of law we are inclined to think that no purely arbitrary revoca-

tion of a license would be valid under this provision, and as a practical matter we believe that the licensing authorities would not exercise the power conferred by this clause unless some really good reason actually existed. The clause is contained in the laws of several other States, and we regard it as important to cover cases which may possibly arise in which licensees have shown themselves clearly unfit to be in the business, and yet have done nothing which falls within any of the other grounds for revocation.

*13. Changes of Officers or Managers and Changes in Location should be forbidden unless approved.*

The transfer of licenses is, of course, absolutely prohibited, for the license is granted only after an investigation of the individual character of the licensee. This investigation would amount to nothing if the licensee were at liberty to sell out to a scoundrel. The character of the officers of an incorporated licensee and the managers of all offices is really just as important as the character of the licensees. Accordingly these persons are to be named in the application and investigated and approved before a license is granted (sections 6 and 7). These provisions would also be nullified if new officers and new managers could become connected with an office at any time. It is essential, therefore, that no such change in the office management should be made unless approved by the licensing authority. As the location of the office is a matter of importance which is investigated and approved before the license is granted, it follows that no change in this respect should be allowed unless also approved. These provisions are contained in sections 13 and 14. Section 14 also contains a provision that every licensee who continues to do business shall maintain an office. It would be very hard for the licensing authorities to follow up and inspect a licensee who, after obtaining his license, should close his office and do his work on street corners or elsewhere. It seems to us extremely important that every licensee should maintain and keep open an office at which his books and records should be kept open to inspection.



*14. Regulations of Business Methods.*

Section 16 and sections 19 to 25 inclusive contain a number of business regulations which we have decided to recommend after studying the laws of other States and observing the methods of well-conducted offices in this State. A complete explanation of these provisions in detail would occupy so much space that it seems better to mention here only the general nature of the sections referred to, and beyond that to allow them to speak for themselves.

Section 16 requires all licensees to post a schedule of the fees charged by them. This is needed so that persons dealing with the offices may see at a glance what the fees are. In the case of an office which takes less than the maximum fees allowed, or a Class III office whose fees are not limited, the schedule is also needed to insure a uniform scale of charges.

Section 19 requires receipts to be given for all fees, with the rules as to refund printed on the back. Several other States have this same provision, and it seems obviously good.

Section 20 requires a card to be given to every employee sent to apply for employment. These cards will prevent much confusion and misunderstanding which might arise if merely verbal directions were given. If the employment to be applied for is outside of the city or town in which the office is located, the cards are required to describe fully the employment supposed to be obtainable, so that if the office improperly puts the applicant to useless expense in going to such place the applicant may recover the cost of transportation.

Section 21 requires the office which acts as a booking agent — that is to say, the office which actually hires employees for employers — to give each employee a written memorandum of the terms of his engagement. This is plainly a necessary provision and will tend to decrease such evils as exist in the padrone or contract-labor system.

Section 22 requires the license and copies of the law and the rules to be posted in all offices. This needs no explanation.

Section 23 requires licensees to keep proper records of all their transactions, and that the records shall be open to in-

spection. This is extremely important, both for the purpose of aiding the authorities in investigating any particular complaint and of enabling them to exercise a general supervision over the business of the offices.

Sections 24 and 25 need no explanation.

### 15. *Investigation of References.*

We believe that much more emphasis should be placed on references from previous employers in regard to the character and ability of employees. The present law contains no provisions on this subject. The offices are not required to obtain the names of previous employers, or communicate with them in any way if their names are given, or to disclose their names or the nature of any information furnished by them to prospective employers. Sometimes these things are done and sometimes they are not, and to the shame of the employers it must be said that such investigation is at present rendered of doubtful value by the lamentable lack of conscientious co-operation on their part. They are for the most part too timid or too soft-hearted or too indifferent to say anything to the discredit of a former employee except in the most flagrant cases, and to avoid doing so will often neglect to answer communications, or, if they do reply, will make some vague and indefinite statement which is either valueless or actually misleading. Many reliable office keepers in discussing the investigation of references have told us that it amounts to little because employers will not tell the truth about former employees if it happens to be disagreeable. One employment agent who has had a large experience in such matters remarked that a reference from an English employer was always of great value in considering the fitness of an employee, but that a reference from an American employer was not worth the paper on which it was written. This seems to us all wrong. No one wants a careless, inefficient or dishonest employee to obtain a position in preference to one who is careful, efficient and honest, but in the absence of a willing and conscientious expression of opinion by former employers one stands much the same chance as the other. The present

condition of affairs not only makes it unnecessarily difficult for the individual employer to distinguish between a good servant and a poor one, but also lowers the standard of efficiency among employees as a whole.

It is perhaps impossible to say whether the unsatisfactory attitude of employers in this respect is due to the fact that we have fallen out of the habit of paying much attention to references or whether we have ceased to regard references because we have found them unreliable. It is rather more pleasant to believe that the former is the true explanation, and there seems to be much reason for the hope that if employment offices are required to place more emphasis on references from former employers the character of such references will improve, and a much better condition of affairs may be brought about.

Accordingly we have inserted in section 26 such provisions as seem to us practicable on this point. It is impossible to require the offices to obtain the names of references in all cases, for some employees who come from a distance or are just entering employment are unable to give them. It is likewise impossible to require all offices to investigate such references as are given for some offices do business on such a scale as to prohibit the trouble and expense which this would involve. It seems perfectly feasible, however, to make all offices demand the names of at least two references from each applicant for employment, and to record the names if given, or the fact that no names are given if such is the fact, and to communicate the names given, or the absence of names, to every prospective employer. These provisions in connection with the further provision that written communications received from former employers shall be kept on file and submitted to prospective employers on request are all that we have recommended.

#### *16. Prohibitions of Dishonesty and Immorality.*

Without reference to the extent to which any particular fraudulent or immoral practice is now indulged in by employment offices it is plain enough that a law of this sort



should contain a direct prohibition of all such practices as are at all likely to occur, and are not punishable by existing law. Section 27 is intended to cover this ground, and it seems clear without further explanation that everything prohibited by that section ought to be prohibited. If other similar prohibitions are necessary they have not been called to our minds either by the study of the laws of other States or by the investigation of conditions in this State. The only thing omitted which might have been included is a prohibition of what is known as the white slave traffic. This is omitted for the reason that it is already sufficiently prohibited by Revised Laws, chapter 212, section 8, as amended by section 3 of chapter 424 of the Acts of 1910.

#### *17. Special Regulations for Theatrical Agencies.*

Four distinct suggestions have been made to us in regard to special regulations for theatrical agencies.

The first suggestion is based on the charge that many of these agencies arrange contracts between vaudeville artists and irresponsible or fraudulent managers, who pay the artists either less than the amount agreed upon or nothing at all. We have found evidence which satisfies us that this sort of thing sometimes occurs, though we cannot say to what extent it occurs. The inference is also very strong that when it does occur the booking agency is often to blame. As the engagements secured are for the most part in small vaudeville theatres scattered throughout New England, and as the managers leave all arrangements to the booking agents, the artists have no opportunity to judge for themselves as to the responsibility of their employers either from personal interviews, inquiries or general reputation, and are forced to rely upon the agents. The agents, on the other hand, ought to know whether the managers for whom they are acting are responsible, and it would seem that if they were frank and honest with the artists most if not all of the trouble complained of might be eliminated. The suggestion is that a law similar to that in force in New York be adopted, requiring these agencies to keep on file and exhibit to all applicants for em-

ployment a statement, signed and sworn to by the agents, setting forth the facts as known to them in regard to the responsibility and standing of each manager for whom they secure artists. We are inclined to think that this provision could be too easily evaded to be of great value, and that the other provisions of the law which are recommended will be sufficient to stamp out the abuse complained of without this special provision. If our recommendations are adopted these agencies will hereafter be licensed and subjected to regular inspection, and any misrepresentation in regard to the managers or even the withholding of any material facts known to the agent will be ground for revocation of license. It seems to us that these provisions, without more, should be sufficient to control agents who are inclined to play fast and loose with artists in this respect, and that the New York law would add little if anything. If the Legislature shall be of a different opinion, or if, as time goes on, the licensing authorities shall find that they cannot cope with this problem, it will be a simple matter to add to the bill a section based on the New York law.

The second suggestion made to us in regard to theatrical agencies is that the contracts of employment arranged by these agencies for artists are unjust and oppressive, and that all such contracts should be required, as in New York, to contain certain specified statements descriptive of the employment and the expenses of transportation, and to follow in other respects a form previously submitted to and approved by the licensing authorities. The feature of such contracts most objected to is a provision inserted by some but not all agencies that the manager may terminate the contract "if the act is not satisfactory." As the agents have no object in inserting this or such other provisions as the artists dislike except so far as they are demanded by managers, the questions raised are questions as to the terms of employment between employers and employees. We do not feel that a system for the regulation of employment offices should be made use of to dictate terms of employment to either employers or employees, and we have therefore not adopted this suggestion. Such

matters must be adjusted by the employers and employees themselves. In point of fact, associations of actors are at the present time concerning themselves with the very point under discussion, and have placed the stamp of their approval on the contracts of some agencies and withheld it from those of others. It seems to us that this is the proper cure for injustice of the sort complained of, and a cure which should be successful if any real injustice exists.

The third suggestion in regard to theatrical agencies is that their fees for services should be regulated. We have already pointed out that the usual fee charged by these agencies is now only 5 per cent or one-twentieth of the booking fee, and that, as the engagements are always short, this amounts to even less than the fees permitted by the rules for Class I. We cannot believe that these fees are unreasonably high, and in the bill introduced by the actors themselves no reduction was required. As there is no reason to believe that these agencies will charge more under a system of regulation than the reasonable fees which they now charge without any regulation, it seems clear, at first sight, that there is no need to specially limit their fees. We have been informed, however, that while the usual scale of charges is fair enough some agencies will often charge an extra or even double fee on some pretext or other, the usual pretext being that the position secured had to be obtained from another agent and that he had to be paid. We have not had time to verify this information, but even if it is true it requires no special regulation. These offices are to be required, like all others, to post and adhere to a uniform schedule of fees. This will force them to post the usual charge of 5 per cent, and will prevent them from charging any more in any case on any pretext. If they do get a position for an applicant through another agent they can pay the other agent as much or as little as they choose, but the charge to the applicant for getting him the position will remain the same, no matter how it is done.

The fourth suggestion made to us in regard to theatrical agencies has been embodied in section 29. Whatever may be



thought upon the general question of allowing young persons to be employed upon the stage, all must agree that it is an exceedingly dangerous thing to allow a girl under eighteen to decide for herself to go into vaudeville, to obtain an engagement through a booking office, and to start off to some strange place to begin a public career, unaccompanied by parent, guardian or friend. The danger is equally great for young boys. We have found that this sort of thing takes place to some extent with disastrous results, and it seems to us exceedingly important to provide that no theatrical agency shall book a boy or girl under eighteen without the consent of parent or guardian.

*18. Provisions for the Benefit of Employment Offices.*

Office keepers who do not collect their fees until after employment has begun all tell us that the process of collection thereafter involves a good deal of time and trouble and some expense, and that an appreciable amount proves uncollectible. Of course this either directly reduces the efficiency of the office, or directly increases the scale of fees which it must charge in order to exist. A few office keepers have suggested to us that conditions in this respect might be improved by a modification of the rule of law prohibiting a valid assignment of future earnings under a contract not yet entered into. There appears to be nothing like a general demand among office keepers for such a modification, but, on the whole, the suggestion strikes us favorably. It appears that by chapter 390 of the Acts of 1906, which is now found in chapter 514 of the Acts of the year 1909, sections 121 to 126, inclusive, the Legislature has already modified the general rule to the extent of making valid an assignment of wages for a period of two years, given in return for money or goods furnished by the assignee, both as to existing contracts of employment and as to contracts not yet entered into. If assignments for money and goods are to be valid for two years, it seems to us that an assignment to pay an employment office fee ought to be valid, for that alone, of all liabilities which may be incurred by the man out of employment, tends to get him out

of the hole instead of getting him deeper in the hole, and it will always be a small amount paid off out of the first wages earned. We have accordingly inserted a provision covering this point in section 29 of the bill. As the assignments made will be for small amounts and quickly paid off, it seems unnecessary to have the somewhat complicated provisions as to assignments in general apply in this case, and we have simply provided that the assignment shall be served upon the employer.

The provisions of section 30 are intended to prohibit two kinds of fraud which the keepers of employment offices tell us are occasionally practiced upon them. A perusal of the section will indicate what kinds of fraud are referred to. If these things are done they ought not to be, and it seems to us entirely proper that they should be prohibited.

### *19. Penalties.*

No extended discussion appears to be necessary of the penalties provided for by section 31. It appears to us proper that the severest penalty should be provided for acting as an employment agent without a license, for this will naturally be the most difficult of all offences to detect. Once an employment agent has brought himself under the license system he is known to the authorities and his doings may be observed. If, however, he acts as an employment agent without a license he is not known to the authorities, unless they happen to find out about him. We feel, therefore, that the penalty for acting without a license should be made severe enough to make sure that all employment agents will bring themselves within the system of inspection and regulation. We have accordingly provided that this offence shall be punished by a fine of not more than \$200. For all other offences we have provided a fine not to exceed \$50 for each offence. This seems to us adequate, for no single specific violation of the law will be of much consequence to the community; and after all the power to revoke the license will be more effective as a means of enforcing the law than criminal prosecution. It may seem, in fact, that for some of the things prohibited by the

act revocation of the license should be the only penalty. On this point we feel that, apart from all other considerations, the power of revocation will be greatly strengthened if the licensing authority is able to bring an offending licensee before the court for every violation of the law. There may be doubtful or disputed cases of violation, in which the licensing authority cannot act according to his convictions without subjecting himself to criticism, and losing, to some extent, the confidence of licensees. If he can in such cases first secure a conviction in court and base his action on that his position will be unassailable. We feel quite confident, therefore, that every violation of the law should be punishable by fine.

### *20. Inspection.*

There are persons who believe that the laws relating to employment offices, like all laws in general, will be more satisfactorily enforced if they are left in the hands of the ordinary police authorities. Such persons argue that as it is the business of the police to enforce all laws, no one can know as much as they about the best methods of enforcement; that the system of local responsibility by which the chief is responsible for the city, the captain for his district and the patrolman for his beat, leads inevitably to the best possible results, both because of the pride which each man takes in his particular domain, and of the peculiarly intimate knowledge which each absorbs from day to day of conditions and circumstances of all kinds within his territory. These arguments are unquestionably sound as applied to the general problem of preserving law and order in our communities, and indicate clearly the lines along which our police departments should be administered; but we cannot agree that they apply to the subject-matter which we have under consideration.

It requires no extended study of the laws of the Commonwealth to see that there are many kinds of laws for the enforcement of which ordinary police methods are considered inadequate, and a system of regular inspection by trained inspectors is provided. For a number of reasons we believe the same policy of inspection should be adopted as to the laws



concerning employment offices. In the first place, these laws are so complicated that the ordinary police authorities can hardly be expected to be sufficiently familiar with all their provisions. In the second place, the proper enforcement of those laws requires not only a thorough understanding of the laws themselves, but also a thorough understanding of the employment office business. It would be absurd to prosecute for every petty violation of the laws, but all violations should be investigated, and discretion should be exercised as to whether prosecution is to follow. The proper exercise of this discretion requires a much more expert knowledge of the business than police authorities can be expected to have. In the third place, in many cases in which violations are due to ignorance or misunderstanding the proper method of enforcement would be to advise and correct the licensee in regard to his business methods. Office keepers ought to be quite willing to be advised and corrected by an expert inspector, who speaks as the representative of the licensing authority, but would quite naturally object to being told how to carry on their business by a policeman in uniform. In the fourth place, the nature of the law in question is such that persons affected by violations will not complain to the police. They are themselves in most cases a little uncertain as to the right and wrong of the matter involved, and if they are to complain they want to go to some one who can advise them, and assume the responsibility of acting in the matter. They know perfectly well that a policeman will know even less about it than they do, and that unless they themselves are sure of their ground and ready to force the matter to an issue nothing will be done. Investigation has shown clearly that under the present system in Boston only a small portion of the cases in which employers or employees feel themselves aggrieved are brought to the attention of the police. If there were regular inspectors constantly inspecting the offices, and known to have expert knowledge on the subject, many more complaints would undoubtedly be made to them. Lastly, regular inspection is needed for the purpose of collecting and reporting to the licensing authorities at regular intervals all possible infor-

mation in regard to licensees. We are dealing with a complicated system of regulation as applied to an important business. The authorities in charge of that system cannot know too much about the manner in which the business is being conducted, the character of the persons engaged in it, the methods employed and the conditions under which it is carried on. To get anything like the best possible results out of such a system, and to have any hope of improvement as time goes on, it is absolutely essential that the licensing authorities should be at all times informed as fully as possible in regard to the operation of the system. Under present conditions in Boston the licensing authorities may issue a license and never know the first thing about the doings of the licensee thereunder until a year later, when he applies for a new license, and yet the licensee may have been constantly conducting his business in an illegal manner.

For all these reasons we are firmly convinced that the proper regulation of employment offices absolutely requires a system of regular inspection by trained inspectors having no other business, who shall not only deal with such complaints as are made in regard to the offices, but shall also inspect all offices at frequent intervals and report the results of all investigations to the licensing authorities. We have provided for such inspection in section 33. Without such a system of inspection we feel that it is hardly worth while to pass a new law at all, but with it we believe that the new law will be a great benefit to the community.

### III. STATE FREE EMPLOYMENT OFFICES.

The governmental labor bureau plays historically an important part in the public regulation of private employment agencies. Moreover, the labor exchange maintained by the government is to-day so large a factor in the plan for a better distribution of labor in Great Britain and Germany that the commission regrets it has been possible to give so little time to this division of the subject.

From the diverse views presented to the commission it would seem that our citizens have little actual knowledge of

the work of the three free employment bureaus maintained by this Commonwealth. Those persons who are skeptical of the possibility of efficient work being done by a government office criticized the expense of maintenance. Those who are skeptical of employers with good positions going to a State free office criticized sending employees to a charity place for poor jobs. And it must be admitted that the strongest advocates of the State free employment offices, who recommended several branches for the Boston office and the creation of many more offices in the State, were unable to recall having known an employer who found a worker or a person who obtained a position at any one of the present three State offices. Those advocates believed, as did some of the representatives of organized labor, that it is a proper function of government to assist in finding work for those out of employment.

The commission, while deeply interested in the large question of unemployment, believed it could recommend an extension of the system of free employment offices in Massachusetts only on the basis of knowledge of their present or potential efficiency. The reports and published speeches of the superintendent of the Boston office were carefully studied; the offices were visited by the investigators and members of the commission, a fairly large number of employers were interviewed, and also 25 social agencies in a position to co-operate with the Boston office or to know its work. The statistics of the State offices make no distinction between temporary and permanent employment, as is done in the high-grade private mercantile employment offices in Boston; neither do they show the nature of employment or scale of wages. Yet any assessment of the social value of the office must be based on a knowledge of these facts. While the job of a day and that of years counts as one in the reports, it is idle to attempt to compute the amount of fees saved to workers obtaining the positions.

Through the courtesy of Mr. Gettemy, Director of the Bureau of Statistics, the commission was furnished with a list of 500 employees for whom positions were secured in the month of October, and the name of the employer. Our in-



investigators, in January, in painstaking manner made inquiry of all these employers to learn how many of these employees were actually in the same employment three months after engagement, or the length of service if less than three months, and the wage paid. In order to ascertain to what extent the State free employment offices are useful to farmers in obtaining help, a schedule of questions was distributed among the members of agricultural organizations in various towns of the State.

As any study of Massachusetts offices separated from the study of offices maintained by the public treasury in other States would be manifestly unfair, the commission has tried, through correspondence, consultation and literature, to inform itself in some small degree of the results attained by similar offices in this country and elsewhere. To learn just what groups of workers these offices have benefited, and what further service to the community they may render, has been the object of this study.

#### WHY FREE OFFICES WERE ESTABLISHED.

The first offices to be maintained by the State were the 5 opened in Ohio in 1890. Between 1890 and 1905, 32 other offices were opened in 18 States; the 1 in New York City was both opened and closed. In 1906 and 1907 the 3 Massachusetts offices were opened. The State free employment office movement appears to have spread in response to four quite different types of demand. An understanding of the origin of the offices is necessary to estimate fairly the results.

1. The Ohio offices and the larger proportion of the others were established to compete with private offices, run for profit, in the belief that a model office run by the government would automatically regulate and correct the existing abuses in the private offices.

2. Some offices were opened to meet the local demand of a city that felt itself the equal in importance and local pride of a city already possessing an office.

3. Occasionally the agitation for an office came from per-

sons interested in the opportunities for superintendence of the same.

4. A belief that a free employment office was a proper function of government and of real social value to the community.

Experience demonstrates clearly that abuses in the private offices can be corrected only by a law licensing and regulating them, followed by inspection and enforcement. Long after the experience of the earlier offices showed this, however, State after State opened a competing office to do just this thing. In West Virginia, an office at Wheeling did succeed in driving private offices out of business, but conditions of labor there are exceptional.<sup>1</sup> It is unfortunate that the State office has been so long connected with the attempt to perform an indirect function rather than a direct one. A deterrent program is never so inspiring as a constructive one, and it may be largely due to this defect of origin that the movement is said to be "not yet beyond the experimental state."<sup>1</sup>

The United States Labor Bulletin already quoted makes the recommendation that a city asking the State for an employment office should be expected to furnish and equip proper quarters, the State to provide only the other expenses. If this recommendation were adopted it would help to regulate the second demand, which we have characterized as competitive local spirit. We cannot agree with the recommendation that the office quarters should, if possible, be in the city hall. Any advantages of co-operation with other city departments would in our judgment be outweighed by the possibility of a closer connection with local politics. Such an office must be run in a thoroughly nonpartisan spirit, with an advancing standard of effort to fit the right worker into the right place, irrespective of political affiliations.

The extension of a thorough civil service examination as a test of fitness for all superintendents of State offices would perhaps tend to diminish the activities of those who wish offices established for personal reasons. The superintendents

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<sup>1</sup> Department of Labor, Bulletin No. 68.

and employees of the Massachusetts offices are required to pass a civil service examination.

The elimination of these three demands in the future will leave the establishment of State employment offices to rest on the fourth demand alone, the only one that should be considered, — that of social utility.

#### FUNCTION OF THE STATE EMPLOYMENT OFFICE.

“Reasonable security of employment of the breadwinner is the basis of all private duties and all sound action.”<sup>1</sup> This admits of no argument as theory, and our experience makes it a vital truth. And it is as important for the State that the less eligible, the less skilled workers should be employed to the extent of their capacity as those who are skilled. The products of employment are, first, the character of the employed, and second, the things produced. Placed in this order in the need of occupation there is no great and there is no small, simply the character of a citizen. Without employment character deteriorates. Without employment and without money worry comes and health goes. The State must be interested; its life, spiritual and physical, is threatened. The question is whether the State can, without weakening the independence of its members, do more than protect them from unscrupulous persons when in search of work. If the State should do more, is the establishment of a free labor bureau the best it can do? We regret that the Department of Commerce and Labor has not yet published its report, bringing to date its findings in regard to the State free employment offices of the country. Its report for 1907, on the free labor offices, has a fund of information and suggestion, from which we quote liberally; that information is of the year 1905.

In the United States the State free offices have developed simultaneously with private offices run for profit, and the offices of the labor unions, maintained for the benefit of members, to whom their services are free. The offices of the labor unions, managed as part of the mutual benefit plan, have often attained a high degree of efficiency. These offices have

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<sup>1</sup> W. K. Beveridge.



a knowledge of the needs of the trade and the abilities of the workman which should enable them to fit men to places as no other office can ever hope to do. The private employment offices in the larger cities have adapted themselves to the needs of different classes of labor with that marvelous aptitude seen in the differentiation of other lines of modern industry. The necessity of making the business pay has sometimes brought about unscrupulous methods, it is true, but it has also given the community keen advisers and efficient administrators. The solicitors employed by the large offices cannot create employment, but they find all available opportunities, and send the man indicated by their references as best fitted to the position. The high-grade offices for mercantile help know how many of their people "placed" actually accept employment, and, up to a period of six weeks, how long they remain. Their efficiency in placing employees is automatically tested by their system of payments.

The differentiated private offices for the varied kinds of employment, and for the various races of our population, are, however, not the only medium through which employers engage their assistants. The commission has been surprised to learn how large is the number of employers who never use any office, who never advertise in the press, but who select from the applicants that personally apply on their own initiative. These employers say they get a higher grade of workers in this way. Society is leavened with persons who obtain employment through friends, former employers, and the many healthy, normal ways of personal neighborly intercourse. There are also the private charitable offices, maintained for the stranger to the country, who is ignorant of our customs and language. These offices, however, are not very large or so conspicuously effective as to require mention, although they meet certain needs. In writing of the State free offices of the country the Department of Labor report states: "As a rule it is safer to trust the public offices for the lower grades of employment, but in the higher grades it is possible in many cases to get better service through the private offices." And, commenting on this: "Now, while it may be

readily granted that the chief field of usefulness of these offices is found in caring for the unskilled labor market, such a function alone must forfeit the confidence of employers in the long run because of the inferiority of the help supplied, and the result is bound to be gradual deterioration."<sup>1</sup> This was written before the Massachusetts offices were started. The superintendent of the Boston office, however, has deplored the attitude of employers in assuming that at a free office they could get a worker for a lower wage than elsewhere. It is clear that if the public office is to compete successfully with the high-grade private office, it can be only by superintendent, solicitors or committee coming personally in contact with the large employers, and by spending money or time in advertising. In Illinois this need was recognized in the statute, and each superintendent "shall immediately put himself in communication with the principal manufacturers, merchants and other employers of labor, and use all diligence in securing the co-operation of the said employers of labor, with the purposes and objects of said employment offices;"<sup>2</sup> and \$400 was appropriated annually for a time for each Chicago office, and \$300 for the Peoria office, to allow the superintendent to advertise in the newspapers. The later withdrawal of this appropriation is deplored by the present superintendent.

The commission believes it is not the appropriate function of the State office itself to conduct its work in competition with the high-grade private office, but to extend its use more widely to the less eligible workers, or to those peculiarly liable to exploitation, or in special need of guidance.

#### DOES THE FREE OFFICE PAY?

From the evidence at hand the members of this commission are convinced it is unwise to place a free office in a city largely devoted industrially to one type of manufacture, in which the workers are unionized. Fall River is an illustration of a textile city where the workers are engaged through

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<sup>1</sup> Department of Labor, Bulletin No. 68.

<sup>2</sup> Illinois acts relating to employment offices, section 5.

the union office or at the gates of the mills. Industry is not sufficiently diversified to make a real demand for a free office, and it is a question whether the Bureau of Statistics is justified in continuing the office in Fall River. It is clear from the reports of the State free offices that the Director of the Bureau of Statistics shares the doubts of the commission as to the wisdom of continuing the Fall River office. The statute, however, while making it clear that the Governor and Council may open an office, leaves it ambiguous, the Director states, as to who may close an office once opened. Reference has been made to the difficulty of assessing the work of the Massachusetts offices by the statistics available. The federal report comments thus:—

As the nature of the work of the public employment office is such as appeals to the generous impulses of men, there is no cause for wonder if the reports of the commissioners and superintendents occasionally exhibit a greater degree of enthusiasm than the results seem to warrant. Moreover, to view the results of the operations of the bureaus from merely a local standpoint would yield but superficial information and lead to uncertain and empirical deductions.<sup>1</sup>

And in speaking of the Ohio offices:—

It is very difficult to determine accurately the number of positions secured. The opportunities for error are numerous and hard to overcome. The superintendents of the Ohio offices require that applicants notify them whether or not the positions to which they are sent were secured by them. This is asked of the employer also, and if the employer has a telephone the information is usually easily secured, but sometimes frequent and insistent inquiries are required. Even after all efforts have been exhausted there is usually a considerable number of careless and indifferent employers who fail to make reply. It is safe to say that this number does not exceed 10 per cent. of the whole number of positions filled. While, therefore, we may take this as an element of uncertainty in the result, it is probably counterbalanced by the number of unreported positions secured through the offices. This is the contention of the superintendents, and it may be assumed that the number given is approximately correct.

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<sup>1</sup> Bureau of Labor, Bulletin No. 68.



The data afford little assistance in answering the question whether the price is too high for the service, yet it is a question that should be answered. Of the nearly 16,000 positions secured, a large number, perhaps a majority of them, were short jobs lasting but a day or only an hour or two. If all were of this class the expenditure of 84.6 cents for each position secured might be regarded as unjustifiable. This lack of uniformity of data, since short jobs count as much as long ones in the reports, vitiates all statistical calculations which assume such a uniformity. Thus there is small satisfaction in determining the amount saved to the working classes by the use of such averages.

But in the face of all this it is not difficult to maintain that the expense is justifiable. It could be shown that even with the relatively small number of permanent positions secured, the economic gain to the State in getting men into positions of greater productivity more than counterbalances the expense. There is an abundant demand for labor in many parts of the country simply because the right men have not been found to do the work, and many instances of this condition could be pointed out in Ohio. Again, from another point of view the expense could be justified in that as a result of unemployment one man, by committing some criminal act, might easily cost the State the entire sum expended upon the employment office.<sup>1</sup>

If, however, the State free employment office is to be continued with the *sole object of securing employment for persons seeking work* it must be tested by efficiency in this *single respect*. The additional arguments given by the federal report of the necessity of finding work gives urgent reason for testing the efficiency of the office maintained to do it. The argument that a man may become a criminal unless he gets to work does not justify maintaining an office unless the office becomes successful in winning the confidence of employers by sending workers fitted to perform the kind of labor required. Otherwise, the office cannot "place" workers in employment. The employment office is of the nature of a business, and must be subject to the usual tests of business. The manager of a well-conducted private office will tell you promptly what percentage of workers agreeing to accept positions change their minds; and of those who accept, what percentage remain six weeks; will tell you how many of the positions he has filled were of temporary character and how

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<sup>1</sup> Bulletin, No. 68.

many would be permanent if the worker proves efficient. To ascertain these facts from the Boston office information was sought from the employers of 505 employees for whom the office secured work in October. This number seemed to the Director of the Bureau of Statistics and to the commission a fair cross-section test.

The employers of 24 had moved and were not found; letters to 2 were returned "unknown;" 58 did not reply to letters; the employers of 76 workers replied by letter; and employers of 345 were interviewed. Of the 421 employees about whom the commission obtained information, 60 never applied for the position, 83 were not remembered as applying for the position, and certainly were never employed, and 8 were known to have applied but were not employed. Thus 36 per cent. never entered upon engagement. The analysis of one large order for workers shows how the misunderstanding, in some instances, arises. Sixty-six men were sent by the State office to the central office of a large company, where 3 men were rejected, 5 were employed at once, 5 were not needed and 53 were sent for employment to the offices of the division superintendents, but were never seen again.

Of the 270 employed, 178 were engaged for permanent positions, 92 for temporary. Of the 178 accepting permanent employment, 72 worked only one week or less, 56 more than one week, 50 were working in the same position in January. Of those who did not work so long as they might have done, 68 "left of their own accord," 54 were discharged as unsatisfactory and 13 for no fault. The wages paid were as follows: 52 of the 92 temporary workers were day workers, namely, cleaners, scrubbers, washers and general workers, and were paid 15 to 25 cents an hour. Less than \$9 per week was paid to 107 workers; 2 of these were paid \$3; 6, \$3.50; 26, \$4; 11, \$4.50; 17, \$5; 13, \$6; 17, \$7, and 15, \$8. More than \$9 a week was paid to 103 workers; 14 of these received over \$3 a day, 89 less than \$3 a day. Of the 421 employees 127 were domestics, and 24 were farm hands. The varying character of the employees may be seen from the following testimony:—

One, a dish washer, is still at work. She is "the best ever." She has stayed three months, and her employer hopes she will stay three years.

Another woman was said to be a nice, faithful worker, but had too many sprees.

One general housework girl who went out into the country has proved to be a treasure.

One employee worked a few weeks, then broke into the store and took \$700 in goods and money.

One man on a temporary job did his work well, but ran off with some of the firm's goods.

A housekeeper in Newton says no such person as the girl inquired about was ever in the house. She inquired interestedly where the State free employment office was, and if she could get good girls there.

In the first annual report of the State Free Employment Offices the difficulty of securing accurate statistics is described and the method adopted to check errors. "The figures showing the number of positions filled, therefore, may safely be regarded as well within the facts; and being furnished by the parties benefited are in no sense dependent upon the individual judgment or discretion of the clerks of the office."<sup>1</sup> And in the third annual report we find as follows: "In regard to positions filled or secured, we do not count a position secured until we learn from reliable sources that such is the fact, so that each position which we count as secured will stand investigation."

If the above investigation presents a fair view of the Boston office, its statistics are worthless, and any claims of amounts saved to the working people are a dream, or, as the Washington reports indicate of Ohio figures, enthusiasm rather than fact. If the total number of positions secured must be reduced by 36 per cent., and if only 12 per cent. remain in positions for three months, the value of this office to the community must be reassessed, and the cost per position secured, recalculated.

The same study was made of the Springfield office, the

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<sup>1</sup> First report, State Free Employment Offices, p. 7.



names of 217 employees being given. The employers of 28 did not reply; of the remaining 189, 76 employed applicants for permanent work and 76 for temporary; 3 applicants applied but were not engaged; 4 were engaged but did not work; 2 were sent from the office but never arrived; and 28 were not remembered. Of the 76 engaged for permanent work, 25 were working in the same position at the end of two months, 18 worked one week or less, 33 more than a week. Day workers numbered 58, domestics 35, hotel help 16, farm hands 38. Thirty-five were paid \$9 or more a week, 25 less than \$9, and the pay of 10 was not stated. Of those who might have worked longer than they did, 29 left of their "own accord," 25 were discharged as unsatisfactory, and 9 for no fault.

The Fall River study was made in March from January placements, numbering 61, of whom 5 were not heard from. Permanent engagements were 26, temporary 22, 6 were not remembered or engaged, and 2 were engaged but did not work. Day workers were 18, domestics 17, hotel help 8, and farm hands 2. Nine dollars a week or more were paid to 2 others, and less than \$9 to 2. The wage paid the remainder was not stated.

|                        | Not heard from. | Did not apply. | Not remembered to have applied; not employed. | Applied but not employed. | Temporary. |
|------------------------|-----------------|----------------|---|---------------------------|------------|
| Boston, . . . . .      | 84              | 60             | 83  | 8                         | 92         |
| Springfield, . . . . . | 28              | 2              | 28  | 7                         | 76         |
| Fall River, . . . . .  | 5               | -              | 6   | 2                         | 22         |

|                        | PERMANENT.                  |                           |                   |                     | Total Names given. | Total heard from. |
|------------------------|-----------------------------|---------------------------|-------------------|---------------------|--------------------|-------------------|
|                        | Working Three Months after. | Working Two Months after. | One Week or Less. | More than One Week. |                    |                   |
| Boston, . . . . .      | 50                          | -                         | 72                | 56                  | 505                | 421               |
| Springfield, . . . . . | -                           | 25                        | 18                | 33                  | 217                | 189               |
| Fall River, . . . . .  | -                           | 11                        | 4                 | 11                  | 61                 | 56                |

|                  | DISCHARGED.      |           |                 | WAGES.                  |                      |                |
|------------------|------------------|-----------|-----------------|-------------------------|----------------------|----------------|
|                  | Left Own Accord. | No Fault. | Unsatisfactory. | 15 to 25 Cents an Hour. | \$9 a Week and More. | Less than \$9. |
| Boston, . . .    | 68               | 13        | 54              | 52                      | 103                  | 107            |
| Springfield, . . | 29               | 9         | 25              | 58                      | -                    | -              |
| Fall River, . .  | 13               | 1         | 3               | 18                      | 2                    | 2              |

A comparison of efficiency, by the indications of this test, shows that 12 per cent. of Boston's placements were at work three months after engagement, 13 per cent. of those made by the Springfield office were at work two months after engagement, and 19 per cent. of those made by the Fall River office were in the positions secured two months before.

Thirty-six per cent. of the employees "placed" in the Boston office were not placed, 19 per cent. in the Springfield office, and 13 per cent. in the Fall River office. In still another way the comparison is unfavorable to the larger city. Forty per cent. of those entering on permanent employment secured at the Boston office remained one week or less; 23 per cent. at Springfield; and at Fall River the figure indicating a poor fitting of employee to task fell to 15 per cent. In all 3 cities the commission found employers who spoke well of the office, the heartiest appreciation and least criticism being heard in Springfield, where there are few well-conducted general private agencies. In Boston, the commission interviewed 43 additional employers whose names were given as patrons of the office, but few of these used the office for their skilled or better paid labor, as "so little is known of the applicants, no references looked up at the State free." The 25 charitable agencies, with 2 exceptions, reported but little co-operation and practically no assistance from the Boston office.

The superintendent stated that in certain months the Boston office is useful in filling positions in the White Mountain hotels and in the southern winter resorts. The commission has also been told that valuable service is rendered at the Boston office in registering women for work by the hour or day in cleaning, scrubbing and kindred tasks. Relatively few

of the private offices perform this function, and the commission has heard employers express more satisfaction with this department of the office than any other. Both this department and the department for women in mercantile positions appeared to the commission to be conducted with kindness, interest and without perfunctory routine. Those in charge of the departments for men showed what may be termed more routine spirit and less personality in seeking to fit workers and positions together. The cost for each position reported filled was, in 1910, 93 cents; for each person reported served, \$1.54.

The results of the investigation have made the commission consider favorably the experience of the Los Angeles office, which was created in 1893 as a free office supported by the labor unions in order to regulate unscrupulous private offices by free competition. The support is now borne by the city of Los Angeles, and since November, 1904, a fee of 25 cents is charged for every position secured.

The method followed is briefly this: no person is permitted to register unless there is a job in prospect which he is willing to accept. He then deposits his 25 cents, for which he receives a receipt like the following, of which a duplicate is kept in the register:—

25 CENTS.

No.

CITY LABOR BUREAU, 217 EAST SECOND STREET,  
LOS ANGELES, CAL., , 19 .

Received of \_\_\_\_\_ twenty-five cents, being the fee required for registration upon the city labor bureau register, authorized to be collected under ordinance No. 10446 (N. S.), approved Jan. 16, 1905.

*Manager, City Labor Bureau.*

The applicant must go at once to secure the work, and whether successful or unsuccessful he must within a few hours let the office know the result, otherwise he forfeits the fee. This small charge does not hinder any one from the use of the office.

Cases of destitution are by no means infrequent, and these need all the more the services of such an office. Accordingly in such cases another form is provided, of which the following is a copy:—



No.

*To the Manager of the City Labor Bureau.*

DEAR SIR:—In accordance with the conditions of registration required by ordinance No. 10446 (N. S.), I herewith notify you that I am "unable to pay the registration fee of twenty-five cents in advance," for the privilege of registering on your books, but I do hereby agree to pay to you the said fee out of the first money I earn under the registration made this day.

*Applicant.*

I herewith endorse above statement.

*City Clerk.*

This is also printed in duplicate, and a carbon copy kept in the register as a voucher for the manager, just as in the preceding case. It is not honored by the manager until countersigned by the city clerk.

The manager states that about half of the positions secured are short jobs, lasting but a day or two, and that if it is for less than two days he gets the man another without additional charge.

The gains effected by charging a fee for each position secured may be thus enumerated:—

1. There is a gain in the ease of securing accuracy of returns, since a man is reasonably sure to return for his fee if he does not secure the work.

2. There is a gain in the saving of expense to the public. A charge of 50 instead of 25 cents would probably have made the office almost self-supporting.

3. The Los Angeles experiment indicates, as one would expect, that the self-respecting laborer prefers to pay something for the service, while the vagrants will leave whenever a fee is charged.<sup>1</sup>

To find that 151 persons out of 421 whom you believed successfully at work through your efforts never applied or were not accepted, makes one consider the advisability of trying an experiment so simple, and designed automatically to separate the person actually wishing to work from the one preferring merely to look for work.

Under the present system the office is uncertain of the desire for work in all its employees, yet as a public office it is obliged to give opportunities to all, and believes it necessary to send several persons to apply for almost every position. This practice annoys some employers and proves discouraging to many honest work-seekers.

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<sup>1</sup> Department of Labor, Bulletin No. 68.

Did the Boston office pay in the month when we made our investigation? Every applicant counted as "placed" cost the Commonwealth 93 cents. The 151 applicants who did not care enough about work to apply for it cost \$140.43; adding this amount, increases the cost for each of the 270 positions secured to \$1.45. Yet 72 of these persons served worked only one week or less, 92 secured only temporary work, and only 50 fitted into work lasting three months. We believe the maintenance of the office was not justified by these results, or by the evidence we obtained from employers, or by the evidence secured by social workers. We urgently recommend a fair trial of the Los Angeles plan of charging 25 cents, and so relieving the office of the presence, cost and example of the loafer. We realize that this can be done only by change of statute. Although we are forced to conclude that, as at present maintained, the services of the State offices to the community do not justify the expense, we do believe there are other special services which these offices should undertake, and which we shall outline in following sections.

#### FARM LABOR.

Inasmuch as the commission was directed to consider the extension of the services of the free offices to the farmers of the State, a special though hurried study was made of farm labor. The schedules of questions returned from the farmers numbered but 97, yet as these questions were distributed through agricultural organizations, it may be fair to conclude they were discussed by groups of farmers, and that each reply possibly represents the opinion of several farmers.

If we group the towns heard from according to location, we have seven groups, one in northeastern Massachusetts, one in southeastern Massachusetts, and one each in the vicinity of Worcester, Springfield, Fitchburg, Greenfield and Pittsfield.

The Worcester group is the only one in which employment offices seem to be in favor as a means of obtaining help. This may be due to the fact that the offices in Worcester deal more largely with farm labor than those in any other city. More than half the farmers heard from in this vicinity usually resort to offices, while the remainder seem to have little prefer-

ence as to methods of obtaining help. The group centering around Fitchburg is about evenly divided as to the use of employment offices and other methods. In the Greenfield group there is not a single vote in favor of employment offices. In the towns around Springfield, the largest group, the vote is four-fifths in favor of other methods. Northeastern Massachusetts shows about half in favor of the use of employment offices, but in southeastern Massachusetts all prefer other methods, although most of the towns are within convenient distance of Boston or Fall River. None of the towns heard from are more than 25 miles away from large centers, where employment offices are found.

Summing up all the answers received, we find that 59 per cent. secured their help by other methods, as against 27 per cent. who use employment offices, while 13 per cent. have no special preference. Those who do not patronize agencies obtain their help in various ways. A few advertise, and some in the vicinity of Boston get men from the seed stores, all of which furnish them without charge.

Farm hands are largely obtained locally, many of them being residents of the neighborhood. When not obtained in this way men who apply at the door are hired. Many of these itinerant farm hands are foreigners. In the northeastern part of the State Greeks and Assyrians do much of the farm work, while in central and western Massachusetts Poles and Russians predominate. The latter are said to give good satisfaction, as they are steady and "willing to be told." The Poles are industrious and ambitious to acquire property of their own. Large numbers of them are buying up farms as fast as they can accumulate the necessary funds. The Census of 1905 gives the number of farmers, planters, overseers, florists, gardeners and nurserymen in the Commonwealth as 41,044, and of these 28.3 per cent. are foreign born; the number of agricultural laborers as 28,599, and of these 41.9 per cent. are foreign born.

While a fair proportion of farmers, as noted, make frequent use of agencies, only a small number speak unequivocally in favor of them. Many say they patronize them only because they can obtain help in no other way. The offices



are said to furnish an inferior grade of help, although the agents are not held responsible for this, as it is not within their power to create a good supply of labor. One man says, "They do the best they can considering the goods they handle."

About 25 per cent. of those who express an opinion on the subject make various criticisms of the management of offices and the business methods of the agents. One correspondent accuses some agents of being "skins," and of being in the business only for what they can get out of it. Another says farm agencies are "a farce or a failure," though the agencies from which he obtains office help give satisfactory service. A rather common complaint is that agents do not refund fees when an employee fails to fulfill his engagement.

The most general criticisms concern the character of the men sent out and the ignorance of the agent in regard to them. In order to place applicants agents do not hesitate to recommend those about whom they know nothing. The men sent out are unreliable and inefficient. They stay a few days and then leave, after the employer has, perhaps, paid both office fee and railway fare for them. One discouraged correspondent complains in disgust that when he makes a special request for a good worker, all he gets is a "bum."

About 79 per cent. of employers express a preference for men who can give references, if it is possible to get them. Few applicants at employment offices, however, can furnish references. Stricter investigation of employees would doubtless meet with the approval of patrons, and increase the efficiency of the office.

The complaint in regard to shortage of help is not confined to any one section, but is common throughout the State. The general opinion is that efficient help is getting more and more scarce, although unreliable help can usually be found. One man says, "The help question is driving hundreds of farmers out of the business." While this expression of opinion may be the exaggeration of a particularly discouraged employer, it is true that 57.5 per cent. of the replies received indicate difficulty along this line. The shortage is more keenly felt,

of course, in summer. Higher wages are paid during this season than in winter. One man thinks farmers would gladly pay \$5 a month more than the present rates for the sake of getting good help. An interesting fact noted by one correspondent is that women and children, mostly foreigners, supply the needed labor in the tobacco and onion fields in the middle of the State. This shortage of help is attributed to various causes: to long hours, dislike of the country, low wages and irregularity of the work, as comparatively few positions continue throughout the year.

The wages given in the replies received are as follows: —

|                               | With<br>Board, per<br>Month. | Without<br>Board, per<br>Month.              | Per Day.      |
|-------------------------------|------------------------------|--|---------------|
| Southeastern Mass., . . . . . | \$25-\$30                    | \$45-\$50                                    | \$1 50-\$2 30 |
| Northeastern Mass., . . . . . | 20- 25                       | —  | 1 20          |
| Fitchburg, . . . . .          | 15- 35                       | —  | 2 00          |
| Greenfield, . . . . .         | 18- 28                       | 35-50  | 1 75          |
| Worcester, . . . . .          | 15- 30                       | —  | 1 75-2 00     |
| Springfield, . . . . .        | 10- 30                       | 10 <sup>1</sup>                              | 1 50          |
| Pittsfield, . . . . .         | 18- 30                       | { 10-15 <sup>1</sup><br>40-45 <sup>2</sup> } | —             |

<sup>1</sup> Per week.

<sup>2</sup> Per month, sometimes with house and milk.

Wages below \$20 per month with board are usually winter rates. The complaints of shortage of labor seem to have no relation to the amount of wages paid.

A few fortunate employers not only have no difficulty in finding all the help they want, but are embarrassed with a superabundance of applications. One man says he has from four to twelve applications for every vacant place. Another wishes that more laborers would patronize employment offices, and relieve him of their solicitations for situations that he cannot supply. An employment office agent in the center of the State, who places large numbers of farm hands, claims that she has no difficulty in filling good positions. She thinks the scarcity of farm labor is due to the fact that there are so many poor places. A competent man wants proper implements with which to do his work, and this is just as true of

the farm hand as of the carpenter or mechanic. A good employer knows this, but there are few farmers in this State who realize it. Another difficulty is that one man on a place has to do a little of every sort of work. The hours are long and irregular, and he is likely to be poorly fed and housed. Moreover, the work is not steady. On large estates, where several men are kept all the year round, each man has certain definite duties to perform and keeps to certain regular hours.

Foreigners — Finns, Poles and Swedes — who are well educated, and who have learned a trade in their own country, frequently take places on farms in order to learn English. After acquiring a knowledge of the language they take up some other line of work.

The State free employment offices are not generally used by those farmers from whom replies were received. Only 16.6 per cent of them resort to the State offices, and of those who have tried them, 69 per cent consider the help obtained inferior to that furnished by private offices. In spite of this apparent lack of popularity, however, there are many who, though having had no experience with them, approve of such offices on general principles, and even advocate an extension of the system. They think such agencies should be serviceable if properly managed. At present they do not seem to be widely known except to those who are acquainted with the cities of Boston and Springfield. Little work of this sort is done at the Fall River offices. The criticism is made that they do not advertise, and so do not get a good class of employees or employers. It is generally agreed that if they could be conducted along the lines of the best private offices, and an effort made to understand the farming situation and to reach farmers and farm hands, they might prove of invaluable service to the farmers of the State. The superintendent of the Springfield State free office has given the commission a list of 500 farmers who have used that office, and the commission regrets that lack of time has made it impossible to interview or correspond with these employers. It is, however, clear that if the farmers of the whole State are to be



served the offices must advertise or send solicitors to meetings of the agricultural organizations, or meet the farmers in other ways. The offices must also find good farm labor, and win a reputation for having such. Something may be done by trying to send some of the surplus city labor to the farms, but the man who does not know how to milk a cow, and is lonely when a few feet from a street corner, is an unwelcome farm hand unless he is alert, eager to learn and willing to work for less wages until he has learned to do the farm tasks. The offices must reach the immigrants who know farm work, and fit them into positions in the country before they settle in the cities. This work requires ingenuity and initiative, and either special appropriation or a rearrangement of the present appropriation must be made to carry it on. There is no reason to suppose that farmers and farm hands will come to the offices unsolicited in much larger numbers in the future than they have in the past.

#### EXPERIMENTS ELSEWHERE.

The experiments of some public offices in the country, and the criticisms made of them, are suggestive for effort in the future. The offices in Seattle, Minneapolis and Kansas City, Mo., have, through their strategic location and efficiency, developed a large business in sending workers to other States.

The office in Minneapolis was opened July 1, 1905, and up to December 7 of the same year it had secured 4,359 positions. This was done at an average cost to the State of only 17.5 cents per position secured. Minneapolis is centrally located with reference to a periodic demand for labor. The pineries to the eastward in Wisconsin and Michigan call for a great many laborers during the winter, and the wheat fields to the westward make a corresponding demand in the summer. The two combined have virtually called into existence a supply of vagrant labor, which centralizes about Minneapolis and at times overstocks the local labor market. Minneapolis is, therefore, a clearing house, with the free employment office for its center. Compared with other offices of its kind, the free employment office of Minneapolis seems to enjoy the public confidence and respect to a rather unusual degree. Many speak with enthusiasm of its work, especially as a labor exchange.<sup>1</sup>

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<sup>1</sup> Bulletin No. 68.

The Kansas City office was opened Jan. 15, 1900, and has built up a good reputation for efficiency. Geographically it is most fortunately located, being the central distributing point for labor in the southwest. For the same reason the field is an attractive one for private agencies, and neither the State law nor State competition is a sufficient restraint upon them. All applicants for employment are required to fill out an application blank, and are not considered without this formal proceeding. Moreover, testimonials are required, even for contract work, as the superintendent says that contractors must be protected. This is setting a high standard, and it is a question whether the contractor will appreciate it enough to give the State employment office his patronage. More than any other one thing the furnishing of harvest hands to the farmers of Missouri, Oklahoma, Kansas and Nebraska has brought this office into public notice.<sup>1</sup>

In the last two years the refusal of the railways to reduce rates to men sent from the State office, and the large number of men who found their own way to the fields because of the lack of work in the cities, reduced the amount of work done by the office.

The success of the Seattle office in the number of positions secured is extraordinary, far surpassing that of any other office in the United States. The maximum record is that of the year 1903, when 30,306 positions were secured, a monthly average of 2,526, at a cost to the city of 4.88 cents per position. The cost per position for the whole period amounted to only 6.22 cents. In the report for 1901 it was estimated that the cost through private agencies was about \$1.25 per position. Considering this estimate true for the whole period, 1894 to 1904, the saving to laborers by the Seattle public employment office has been \$240,812 on the 202,738 positions secured. Such a record is satisfactory even if every position secured has been a short job and the labor unskilled. The Seattle free employment office differs from every other one in the United States in the manner of the appointment of its personnel. The commissioner of labor of Seattle is secretary of the civil service commission of the city. His assistant, who has charge of the free employment office, is selected according to civil service methods, as is also the clerk. In efficiency of management the office compares favorably with any in the country. The office makes no record of applicants for employment except for skilled positions. These are registered by card, and renewal is required every two weeks.

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<sup>1</sup> Bulletin No. 68.

When a man is sent to a position he is given a slip which is a means of identification to the employer. If the employer is within the city this slip must be signed by him in case of engagement and returned within three hours. If outside the city a postal card is sent to the employer, to be returned with a similar statement. No positions are recorded without positive and definite information.<sup>1</sup>

In 1909 the Seattle office filled 38,846 positions for \$1,-623.05, a cost of 4.18 cents for each position. This cost, compared with the Massachusetts cost, 96 cents, is marvelously low.

In January, 1904, at the request of the Nebraska bureau of labor, the commissioners of labor in that State, Iowa, Missouri, Kansas, Minnesota, South Dakota and Oklahoma met and organized the Western Association of State Free Employment Bureaus, to devise methods whereby, through co-operation, the nonresident laborers needed in the wheat belt might be secured.

It has been carefully estimated that should the harvest occur in these seven States at the same time there would be needed approximately 90,000 nonresident laborers, but since it occurs at different seasons, beginning in June in Oklahoma and ending in October in Dakota and Minnesota, about one-half of that number, or 45,000 men, will be necessary to harvest the small-grain crop.<sup>1</sup>

By thus working together the public offices may become in a true sense labor exchanges, and meet the need of workers in one State from the excess supply in another. In this way they might begin to bring to the distribution of labor that foresight and organization so conspicuously present in most forms of American industry, and yet still conspicuously lacking in the most vital part of all industry, — the distribution of the producers themselves.

#### INTERSTATE AND SEASONAL EMPLOYMENT FOR IMMIGRANTS.

Many complaints are made against the private offices supplying large gangs of laborers through contractors for work on the railways and other large engineering and contracting

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<sup>1</sup> Bulletin No. 68.



jobs. It is here that the State offices have a large opportunity in protecting men from whom extra fees are undoubtedly exacted and who suffer from misrepresentation of various kinds. Many men, often ignorant of our language, learn all they know of American honor and citizenship from the contract labor camp, and the employment office keepers and others who charge high for sending them there. To say that they need not accept the work, or come to this country to get it, is but an unworthy begging of the question. These large construction tasks are for the public good, and we owe to the human beings who perform them protection from abuse and extortion.

What could be done by better organization of the labor market is to put railways and other large employers in contact with the widest possible range of selection. As it is at present, railroads are continually losing by means of the poor labor they must put up with on construction gangs, and decent laborers likewise are subjected to loss and indignities by reason thereof. The railways stand so much in need of this help that they dare not offend the private agencies whence they get it; the private agencies have an easy hold on the contractor, who shares their receipts, and thus the contract system, a wasteful, injurious method to both sides, continues to thrive. What is needed is a wider labor market to appeal to than the locality affords, a co-ordination of the efforts of the States through the free employment offices.<sup>1</sup>

Boston is in a position to supply men for the lumber camps of New England. Serious and definite complaint has come to the commission of a nonresident employment agent who comes to the city, obtains desk room, usually in the office of private employment bureaus, engages large numbers of men, charges a sum that covers transportation, food and other fees not specified in the receipt, and then leaves the State. It is alleged that double fees are paid, one for the agent, another to the private employment office keeper at whose desk he sits. These charges are hard to prove, harder to disprove, and are made wherever large numbers of men are sent from one State to another. It is fair to conclude that the opportunity is one of peculiar temptation to the private

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<sup>1</sup> Bulletin No. 68.

office keeper, and that such placing is difficult to supervise. An able article on this subject, written by Miss Abbott, the assistant director of the League for the Protection of Immigrants, in Chicago, puts in this trenchant phrase the need of the immigrant: —

At no time does he need disinterested guidance and help more than in securing his first work, and yet he is dependent in most cases upon the private employment agent, and he becomes, because of his ignorance and necessities, a great temptation to an honest agent and a great opportunity to an unscrupulous one.<sup>1</sup>

Boston, it must be remembered, is an immigrant port, yet the first report of the Massachusetts State office states: —

Although we have kept in close communication with the various immigration societies, and have, on occasion, sent representatives of the office to the incoming steamers with a view to obtaining the labor necessary to meet the needs of employers, little success has attended our efforts. In only a very few instances is the class of immigrant girls now coming to our shores found willing to engage in domestic service, the overwhelming majority of them preferring some other kind of employment. The heaviest immigration at the present time from Europe is that from Italy, but the Italian girls will not listen to a proposition to enter household service. Usually relatives or friends are on hand at the wharf to greet the prospective American citizen, and, as a rule, he has a fixed destination. There are, moreover, local organizations that have agents to look after the interests of the several nationalities. So it happens that, for one reason or another, the newly arrived immigrant seldom finds his way into the public employment office, but secures his employment, in the first instance, through some other channel.

Miss Abbott writes of the Illinois free employment offices as follows: —

There are three in the city of Chicago. But these are little or no help to the immigrant. The superintendent of the south-side office, who also has charge of the inspection of private agencies, says the State agencies cannot place these groups of seasonal workers because they have no fees to divide with contractors, and because the funds at their disposal are inadequate. To handle this kind of work successfully, interpreters are required, some one must

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<sup>1</sup> American Journal of Sociology, November, 1908.

accompany the men to the place of work, and often the railroad fare must be advanced. For this, the free employment agencies have no funds, they say.<sup>1</sup>

The explanations of the Boston and Illinois offices show that the possibilities of their opportunity have not been appreciated. The Boston report confines its view to the immigrant girl in domestic service, and the Illinois explanations sound helpless and lacking in administrative view. Large employers are beginning to understand and co-operate with social effort to-day to a degree that fifty years ago would have been called astounding. When a large trust places its patent on a non-injurious substitute for phosphorus in the hands of three trustees, and by their advice cancels the *patent* in order that the employees of rival companies may be saved from diseases resulting from use of phosphorus, has not the time come for the free employment office to gather facts and take them to the large employers of newly-arrived immigrant labor, and to win their co-operation in working out the problem? A large social service should not be left undone either because an interpreter is needed to carry it out or because a railroad fare must be advanced. If a private office can afford to advance transportation on a contractor's promise to refund, a State office should be able to arrange with the employer to secure workers in a fair way. The co-operation of the reliable leaders of the different nationalities must also be secured. The arriving immigrant naturally turns to those who speak his language, who appear to be interested in him, and also to be trusted in the neighborhood. The one to-day who meets these three conditions most truly is the small banker, and yet there is constant report of his connection with the evils of the padrone system. The entry of the public office in this special field will not alone correct the abuse. The enforcement of such a law as accompanies this report, embodying as it does suggestive criticisms of the laws of other States, is also needed to moralize the situation. Yet, as Miss Abbott points out, "good laws are difficult of enforcement. Clearly, then,

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<sup>1</sup> American Journal of Sociology, November, 1908.



because of the helplessness of the men, because of the interstate character of the work, and because of its social and industrial importance to the city and State generally, this class of workmen should be handled through the State free employment agencies." The commission believes that, if the public free employment office is to exist, this interstate, seasonal work, performed in such large degree by immigrant labor, should be its special concern.

### TRADE DISPUTES.

Interstate work is sometimes connected with sending employees to "break a strike" at a distance. The best method we have found for maintaining a fair attitude in such instances is that adopted by the labor exchanges of Great Britain. And as the management of these exchanges is based on the theory which we consider fundamental, namely, of winning the support and interest of citizens, we have studied it with care, although of necessity at a distance.

Throughout Great Britain one of the features of the large system of labor exchanges already inaugurated is an advisory committee of citizens in the community served by the office. This committee represents employers, labor union representatives and other leading citizens, and is designed to make the work of the exchange known, win the support of employers and maintain a fair attitude in labor disputes. The rules of the office provide in times of strike or lockout that a statement may be filed by each side in the dispute, renewed each week; and an applicant at the exchange may read the statement from each side and decide for himself whether he will or will not apply for work. The holding of this statement of each side would prevent any such accusations as are sometimes made that the worker was not given a fair view of the situation. The commission would recommend that this method be adopted by the Massachusetts offices.

### CASUAL LABOR.

Another field of usefulness not yet entered by the employment exchanges of this country is the problem of casual labor. Both the majority and minority reports of the Eng-

lish Poor Law Commission deserve the most careful study on this subject. These most remarkable reports in the whole field of sociological research show the demoniacal part played by the system of casual labor in the manufacture of poverty, disease and crime.

Among them privation and exposure, and the insanitary conditions of their dwellings, lead to an excessive prevalence of diseases of all kinds. It is, to an extent quite disproportionate to their actual numbers, they who fill the hospitals and infirmaries, and keep the city's death rate at a high figure. It is in their households, particularly, that the infantile death rate is excessive; that the children have rickets; and that an altogether premature invalidity is the rule. It is recognized, in short, that it is among the class of the under employed casual laborers — constituting, perhaps, only a tenth of the whole town — that four-fifths of the problems of the medical officer of health arise. It is from the same class that is directly drawn at least two-thirds of all our pauperism other than that of old age, sickness, widowhood and orphanage. It is from the casual labor class that those who fall upon the poor law relief works or charitable funds are mostly drawn.<sup>1</sup>

There is little doubt that to regularize casual labor would do more than any other remedy to diminish pauperism of the worst type. Take away casual labor and drink, and you can shut up three-fourths of the workhouses.<sup>2</sup>

In this country no study has been made to compare with the thoroughness of these reports, but every social worker recognizes the picture, and knows from bitter experience the depressed standard of living when the man works irregularly. How many men the casual workers number, what they cost the community, the conditions of industry that make casual labor necessary and the possible remedies are unknown, as yet unthought of. When the cost to the community of casual labor is understood it will be questioned whether it is not a cost that should be carried by the industry, and then at once organization will be directed to lessen that cost. Two objections to decasualizing labor come from the men themselves. The insidious poison of the system is such that one type of man comes to prefer the day at work on and off and to live according to that standard. The other objection from the man of finer type is even more pathetic.

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<sup>1</sup> Minority report, p. 1144.

<sup>2</sup> Majority report, p. 224.

If 100 men are employed half time, and organization of the industry should produce fifty full-time positions, 50 men would be without work, and would fear the results of looking for work in another field. It is like the patient who can never recover without an operation, but lives on miserably rather than risk the surgeon's skill. This, in America, should not be allowed to become the fear that with more reason it is in England. The State free office, through communication with distant offices, advisory committees of employers and labor union men and social workers, should study how the regular demands of the business may be met on one side, and distribute the information of need of workers in other offices on the other. The social curse of casual labor is its power for making men unfit for regular labor, and another generation should not be sacrificed to its baleful influence. Seasonal labor begins to be more hopeful of solution as one reads the calendar of busiest months made for the different trades in the minority report of the English commission. Formerly the cartoon of the revolving doorway, with the ice man going in and the coal shoveller coming out, was about all the average man knew of slack and busy times outside the trades of his personal observation.

There is, indeed, no month in the year in which some trades are not usually at their busiest; and no month in the year in which some trades are not usually at their slackest. Thus, January is the busiest of all months at the docks of London and most other ports, and one of the busiest for coal miners; February in paper-making; March in steel smelting and textile manufacture; April in brush making and the furnishing trades; May in engineering and ship building, coach making, hat making and leather work; May, June and July in all the ramifications of the clothing trades, as well as among mill sawyers; July and August for the railway service and all occupations in holiday resorts, as well as for carpenters and coopers; August and September for all forms of agricultural harvesting; September for plumbers and iron miners; October in iron and steel works; November for printing and bookbinding, for the tobacco trade, the tin-plate manufacture and the metal trades generally; whilst in December, coal mining, the very extensive theatrical industry, the post-office service and the gas and elec-



tricity works are all at their greatest volume of employment. On the other hand, January shows iron mining and the furnishing trades to be at their slackest; in February (contrary to popular belief) the plumbers have the most unemployment of any time of the year; in March and April the coopers; in May and June the London dock laborers and the coal miners; in July the iron and steel and tin-plate workers; in August the paper makers, printers, bookbinders and tobacco workers; in September the textile operatives and various metal workers; in October all the clothing trades are at their slackest; in November ship building is, on the average, at its minimum; whilst December is the worst month for carpenters and engineers, mill sawyers and coach builders, leather workers and brushmakers.<sup>1</sup>

In our country of different temperatures the study would have to be made for each State, but nowhere to-day has the information of busy and slack months been collected and used. To dovetail workers from one industry to another, according to seasons and nature of work, is a task fitted to challenge American ingenuity and idealism. In such organization the employment exchange may be an indispensable factor. W. H. Beveridge, director of the large scheme of labor exchanges being created by the government of Great Britain, in writing of the possibility of replacing irregular and insufficient employment by regular and sufficient, states:—

The possibility depends upon the fact that separate undertakings employing similar classes of labor, though they may be to some extent affected by general events (*e.g.*, by seasons or trade changes), so as all to grow slack or all to grow busy at the same moment, are to some extent also affected by events peculiar to each, so that one grows busy while another grows slack, one is dismissing men while another is taking them on, one needs 10 men to-day and none to-morrow, while another needs 10 men to-morrow and none to-day.

If, in this last illustration, the two employers take on their men independently at different places, the two days' work may go to two distinct sets of men,—20 in all; each employer, indeed, will tend to have a distinct following in constant attendance at his gates. If, on the other hand, both employers take their men from a common center or exchange, both days' work may go to one set of men,—20 men idle half their time may be replaced by 10 men

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<sup>1</sup> English Poor Law Commission, minority report, p. 1184.

in continuous work. Where a business has several departments, fluctuations in the different branches of its work may often be met with little or no irregularity in its total staff by sending men now to one department, now to another. The same thing may be done for separate businesses by a labor exchange supplying each and all with the extra men they on occasion require. In this way employment may for each individual laborer be made reasonably continuous under a group of similar employers where it cannot be regular under a single employer. The stagnant reserve of under-employed labor waiting everywhere blindly on the demands of different employers may be replaced by a smaller body of men mobile from employer to employer under the directions of an exchange in touch with them all. . . .

This is the whole principle of the labor exchange. It is neither new nor without authority. It was, after prolonged investigation, urged by Mr. Charles Booth upon the Labor Commission in 1892 as the one remedy for the evils of casual riverside employment. It has, in accord with the suggestions then made, been carried out by the London and India Docks Company so far as regards the staff directly employed by them, with the result of increasing the proportion of their work which is done by permanent or weekly, as opposed to that which is done by hourly laborers, from 20 per cent. to 80 per cent. Unfortunately, this affects less than a quarter of the total number of men daily employed in London riverside labor.

All that is new here is the emphasis laid on the general character of the evil. Every trade tends to be chronically overstocked with labor in proportion as the demands of separate employers are fluctuating, and in so far as machinery for bringing together those demands and for mobilizing the labor supply is absent or inadequate. The practical application of the principle depends very much on the circumstances of different trades. In some the principle is already applied very fully in the system of trade union registers. In others something is done, but not much. In the unorganized and unskilled occupations everything remains to be done, and must probably be done by deliberate arrangement between employers in drawing all their casual labor from a recognized center. By doing this they will not only abolish, as they only can abolish, a source of standing distress, but they will secure better and more responsible service. From the streets the employer gets a man who has perhaps been idle and ill-fed for several days. From an exchange he may, and as the system grows will, get a man who has just left another job. There is much that is difficult in this. There is nothing that is impracticable. It does not mean that the employer loses either choice or control of his staff in any way. It simply means that he chooses till he is suited from among men sent by the exchange, not from among those gathered at the

street corner or the public house. For the reduction of unemployment labor exchanges are more needed in those trades in which the employer can now "get as many men as he wants whenever he wants them" than in those in which he has sometimes to wait.

Labor exchanges cannot relieve existing distress or of themselves diminish an existing over-supply of labor. They and they alone can gradually remove one of the principal causes in the formation of distress—the chronic overstocking of the labor market by the disorganized demand of many employers; or by such special plans as individual employers, lacking an exchange, often feel themselves compelled to adopt—of giving out some of their work in rotation, so as to have always a reserve of labor for emergencies in attendance at their own gates. No remedy other than organization of the labor market through exchanges will serve to prevent the creation of casual and half-employed labor.<sup>1</sup>

### YOUTH AND AGE.

Another special class of workers whose skill is still in the future, and who need expert advice in securing employment, is that of the boys and girls who leave school at the earliest moment allowed by law and drift into the nearest employment.

Experience shows that leaving school is one of the most dangerous epochs for the character development of youth. Unless the school is to see its educative work now undone, it must co-operate in the task of at once directing the young into an orderly career. For as a training agency it is not merely the duty of the school to teach the children certain knowledge; it must qualify them for their future vocations; it must take an interest in the occupations to which the scholars turn, and show this interest in helping them to make their choice by advice and practical help. The chief value of their co-operation will be to submit the wishes and the inclinations of the scholars to a thoughtful criticism, but to this is necessary a comprehensive knowledge of the labor market, which can best be given to them by the communal, centralized labor bureaus. To these bureaus, therefore, the schools should direct their scholars, emphasizing betimes the importance of a choice of occupation.<sup>2</sup>

Whether it will be best in the future to have the vocational councils unite with the State free offices and maintain

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<sup>1</sup> Labor exchanges, W. H. Beveridge.

<sup>2</sup> The German Workman, p. 22. Address of the president of the executive committee of Munich Labor Exchange to the teachers of Munich.



a separate department for placing the youth from the school, we do not presume to decide, but it is a possibility to be considered. Our own unguided school graduates are employees in whom the State should take the greatest interest, and unless arrangements are made to assist them to appropriate employment through some other channel, the Munich system of working with the schools to this end should, we believe, be adopted.

Another experiment of the Munich Labor Exchange is also suggestive. By working with the farmers in the corn-growing and grazing districts the bureau finds opportunities for old men to work in the country. We realize that employment for the less able workers cannot be especially created, but when in the cities, which naturally attract the largest supply of labor, the labor market is overstocked at the same time that the country finds its productivity threatened by lack of labor, the task of adjustment must be undertaken. This is not the type of work calculated to attract the ingenuity of the private employment office, and because of the State or interstate area involved, and the peculiar needs of the employees, it becomes one of the supplemental tasks appropriate for the government office.

#### SUMMARY AND RECOMMENDATIONS.

From the study made of the reports of the State employment offices of the country, and from observations of the public and private employment offices of the Commonwealth, the commission is convinced that it is not the function of the public office to compete in any way with the offices of the trades unions for placing unionized skilled workers. Neither, we believe, should the public office attempt to compete with the private office in placing regular domestic, mercantile or other skilled labor. Experience has abundantly proved that in these fields the public office is less efficient than the private office, and that employees prefer to pay the fee and get the better places and higher wage registered at the private offices.

We also believe that no additional offices should be es-

established in Massachusetts until the public office system shall have adapted its work to meet the special needs of the community, instead of duplicating the work of the private agencies in filling general employment demands. The function of the public office should be worked out through the experimental stage in a few of the larger cities of the State before extending the system to the smaller cities.

It is clear to the commission that the present system of keeping the statistics is faulty, but the wish of the Director of the Bureau of Statistics to secure accurate figures of work done is appreciated, and also the difficulties. The investigation has also shown an even greater need, namely, to free the office from the loafer who takes the time of the staff and does not care enough about obtaining work to apply at the place to which he is sent. The charge of 25 cents, as carried out in the Los Angeles office, would in our opinion assist in securing not only more accurate knowledge of workers placed, but would discourage applications from those who are not work-seekers.

The true function of a public employment office is, in the mind of the commission, to place those who are unskilled, or not yet skilled; those who are engaged in interstate, seasonal or casual employment; the immigrant, the youth or the aged.

To develop these opportunities of an employment office varied experience and special training are necessary. The present Director of the Bureau of Statistics is a skillful administrator, but he has a large and important department which must take most of his time and thought, and should take all his attention. The work which we believe a State employment office should attempt is pioneer work, and is large enough and sufficiently important to justify a separate department. We have been much impressed by the affiliated unpaid committees of representative citizens which form an integral part of the system in foreign countries. These committees win the confidence of employers and employed, and also bring that variety of experience and acquaintance which are, we believe, necessary to the success of the work

as outlined. Unpaid committees of representative men and women are recognized throughout the country as of the highest value in carrying forward large plans of civic service. From the first, these unpaid citizens, summoned to the service of the Commonwealth, have placed Massachusetts institutions in the front rank of the institutions of the United States. We would, therefore, earnestly recommend the Legislature to transfer the control of the free employment offices from the busy office of the Bureau of Statistics to that of an unpaid Board of five trustees, with power to employ a secretary. This Board might collect the experience of a large employer of labor, a trades unionist, a social reformer, a specialist in sociology and a woman of experience in its personnel, and be able also to secure the co-operation of an advisory local committee of similar representative standing in each city where an office is located. This commission believes the work of such a Board should be much larger than that of merely maintaining employment offices. The Board should also be given the following allied tasks: —

1. To study the whole industrial field in the same comprehensive way that a board of education should study its field. The needs of employers in the different branches of industry should be learned, and the abilities and adaptabilities of workers of all trades and nationalities. Under-employment and its causes should be studied as well as the causes of unemployment. The offices maintained by the Board will furnish invaluable data for such study, but it must be supplemented by information from employers, labor unions, social workers, private employment offices, public employment offices in other cities, trade exchanges and chambers of commerce, and all the other ways that initiative and social statesmanship may develop.

2. To reach the newly-arrived immigrants, and through study of their needs and co-operation with employers assist these workers to find the best places in industry for which they are fitted. Whatever workers are found to be most easily exploited should be considered the special clients of the public office. The enforcement of the law regulating



the private office and the activity of the public office should together protect the weak and ignorant.

3. To secure the co-operation of labor unions and employers in an intelligent effort to decrease the evils of casual labor and dovetail the work of employees in seasonal trades. The skill in organization of some captains in industry applied to this problem of transportation from one seasonal task to another may add as much to the prosperity of the country as the transportation facilities of a railway to an inaccessible territory.

4. To advise with the school boards, vocational councils and other directors of the education of youth in order that the training of the schools may be adapted to the needs of the industrial world. In the first report of the Massachusetts State Free Employment Offices mention is made of the exceptional opportunity to observe the handicap of the youth who leaves school without a trade well learned, and the systematic effort made to tabulate those observations for the use of the Industrial Commission. No further elaboration of this field is recorded in the later reports.

5. To study the cycles of business depression, and see what can be done to mitigate or safely alleviate the sufferings of hard years. At such times remedies are often suggested that are economically unsound and inimical to the character and interests of those they are designed to serve. The advice of an experienced Board would be of great value. Knowledge of a shortage of labor at any point in the world should, of course, be distributed at that time. In Germany the labor exchanges send word to the mayors of all municipalities when hard times are foreshadowed, and ask them to keep back or bring forward any contemplated public works in order that they may be carried on under regular business management in the periods of greatest stress. This should not be confused with so-called "relief works for unemployed persons," which by almost general consent over a wide area of experiment are considered expensive failures.

6. To become expert in questions of workingmen's insurance and unemployment insurance, in order to advise manu-

facturers and others anxious to promote thrift and foresight among employees.

7. It should also be the duty of this Board to teach foresight to employers, to publish facts about community methods, that create a large demand for workers one year only to leave them idle the next. For instance, looked at from the standpoint of the employee in the Sheffield arsenal, the variations in government contracts from the British war office were without consideration. In 1902 the contracts amounted to £442,899; in 1903, £227,683; in 1904, £317,700; in 1905, £910,928; and in 1906, £60,381.<sup>1</sup> In terms of men this meant that large numbers of extra men had to be employed and trained one year, who would be without work or any demand for their skill the next.

It is not the part of justice to consider individual thrift among employees as the only thing to depend on to prevent suffering in days of unemployment; foresight or farseeing thrift among employers is also a matter of community concern.

While the report of this commission does not justify the expense of the State free employment offices as at present carried on, it does indicate the great need of a Board of Employment, and its belief that in the future it will be difficult to justify the State without such a Board or department charged with the duty of studying the needs of its industrial workers. A Board of Employment with duties as recommended above would adapt its employment office to meet the real needs of the community. The Munich Labor Bureau is a remarkable illustration of a labor exchange in close touch with its community, and emphasizes strongly the comparatively detached position of the Massachusetts offices. The Munich Bureau, conducted by a representative committee of citizens, has also a "ladies' committee." The character of this committee is indicated by this one of recent date: "five members of the nobility, the daughter of a chief forester, the daughter of an officer, a doctor's wife, a doctor's

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<sup>1</sup> Report on Unemployed to the Poor Law Commission, Appendix, Vol. XIX.

widow, the wife of a rabbi, a teacher, and a lady in business.”<sup>1</sup> A number of trade guilds have their registries at the Bureau. In 1903 these numbered 9.

To have the registries of labor unions or trade guilds at the public office is advocated by those students who believe “if the exchanges fail to attract the skilled man and to supply the employer with the best as well as the ordinary run of his workmen, they must infallibly degenerate into registries of the unemployable, where a competent man will decline to be seen.”<sup>2</sup> This program places the public office not in competition but in co-operation with private initiative. By working with the minister of war, the department of reservists and employers in the country, the Munich Bureau has done the valuable work referred to in getting old soldiers and other aged persons into employment away from the city. The Bureau has also specialized on finding employment for youth, and works constantly with the education board; also, the Munich Bureau unites all the labor bureaus of Bavaria by a weekly exchange of all vacancies and by daily telephonic communication.

Is this larger task worth doing, and should it be done now, is a question this commission has considered deeply. Mr. Balfour states “it is a most intolerable thing that we should permit the permanent deterioration of those who are fit for really good work. Putting aside all considerations of morals, all those considerations which move us as men of feeling, as flesh and blood, and looking at it with the hardest heart and the most calculating eye, is it not very poor economy to scrap good machinery?”<sup>3</sup> Yet this scrapping of good machinery goes on, a horribly costly and cruelly inhumane system.

A backward look over the history of this continent shows one characteristic note dominant in each century. Discovery rings through the fifteenth and sixteenth centuries; privation, through the seventeenth; independence, in the eigh-

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<sup>1</sup> German Workman, p. 20.

<sup>2</sup> Cyril Jackson, in Unemployment and Trade Unions, p. 22.

<sup>3</sup> Discussion, House of Commons, April 9, 1910.



teenth; and expansion throughout the nineteenth. To-day it does not require the gift of prophecy to see that conservation will dominate the thought and endeavor of the twentieth century. When the community really begins to grapple with the conservation of the health and character of the State, these will be found to be indissolubly united with the regular employment of its citizens.

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## APPENDIX.

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## APPENDIX A.

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### DRAFT OF AN ACT CONCERNING PRIVATE EMPLOYMENT OFFICES.

*Be it enacted, etc., as follows:*

SECTION 1. The word "employment" as used in this act shall mean and include every contract or engagement secured by an employee with an employer by which the employee performs or agrees to perform labor or services of any kind whatever for wages, salary or other remuneration.

The phrase "employment agent" as used in this act shall mean and include all persons and corporations engaged in the business of assisting persons seeking employment to obtain the same, or of assisting employers to obtain employees, or of hiring, engaging or furnishing employees for employers.

The phrase "employment office" as used in this act shall mean and include every office or place of business at which the business of an employment agent shall be conducted or carried on.

SECTION 2. No person, partnership or corporation shall act as an employment agent in this commonwealth, or open, conduct or maintain an employment office therein, unless such person, partnership or corporation shall be duly licensed to maintain an employment office in accordance with the terms of this act: *provided, however,* that the provisions of this section shall not apply to employment agents who do not receive any fee, commission or valuable consideration of any kind, either directly or indirectly, from any employer or any employee in return for services rendered or assistance furnished by such agents; and *provided, further,* that the provisions of this section shall not prevent an unlicensed person from acting as manager, assistant or other agent of any duly licensed person, partnership or corporation in connection with the business carried on by such licensee.

SECTION 3. The state board of industrial inspection appointed pursuant to the provisions of chapter \_\_\_\_\_ of the acts of the year nineteen hundred and eleven shall appoint a

supervisor of employment offices whose term of office shall be three years, and whose salary shall be such sum, not in excess of thirty-five hundred dollars per annum, as shall be determined upon by said board with the consent of the governor and council; and may remove said supervisor at any time by a vote of three members of said board. In case of such removal or in case such office shall become vacant from any other cause said board shall appoint a new supervisor for the full term of three years. Such supervisor shall hold no other public office, and shall not be pecuniarily interested in or connected with any employment office, but may have such other business or occupation as in the opinion of said board will not interfere with the performance of his duties as such supervisor.

SECTION 4. In cities having a population of more than seventy-five thousand inhabitants the licenses to maintain employment offices required by this act shall be granted by the supervisor of employment offices. In other cities such licenses shall be granted by the mayor and aldermen, and in towns they shall be granted by the board of selectmen.

SECTION 5. Licenses granted hereunder shall be of three sorts, designated as class one licenses, class two licenses and class three licenses. Any applicant for a license whose application is granted as hereinafter provided may elect to have a class one license or a class two license, and the rules hereafter provided for with reference to fees and refunds under the sort of license which he so elects to have shall apply to the conduct of his business; but under either form of license he may act as employment agent with reference to any and all kinds of employers, employees and employments. If it shall be stated in any application for a license that the applicant intends to act as employment agent only with reference to the employment of teachers and of other employees in educational institutions, or with reference to the employment of trained nurses, or with reference to the employment of ministers, or if it is stated in such application, and the board or official authorized to grant the same is satisfied, that the applicant intends to act as employment agent only with reference to some other special branch of industry, trade, business or employment distinctly described in said application, and that the business which said applicant proposes to conduct cannot be carried on properly under the rules applicable to class one licenses or class two licenses, and if such application shall be granted as hereinafter provided, said

applicant shall be entitled to receive a class three license if he so desires; but every class three license shall set forth the kind of employment to which the business of the licensee is to be confined, as stated in the application, and the licensee shall not act as employment agent with reference to any kind of employment except as so stated.

SECTION 6. Every applicant for a license shall file with the official or board authorized to grant the same a written application stating the name and address of the applicant, the kind of license desired, the street and number of the building in which the office is to be maintained, the name of the person who is to have the general management of the office, the name under which the business of the office is to be carried on, whether or not the applicant is pecuniarily interested in any other business or businesses, and, if so, the nature of such business or businesses, and where they are carried on. Said application shall also state that the applicant is the only person pecuniarily interested in the business to be carried on under the license, and shall be signed by the applicant and sworn to before a justice of the peace or notary public. If the applicant is a corporation the application shall also state the names and addresses of the officers and directors of said corporation, and shall be signed and sworn to by the president and treasurer thereof. If the applicant is a partnership the application shall also state the names and addresses of all partners therein, and shall be signed and sworn to by all of them. If a class three license is desired the application shall also contain such additional statements as are required by section five, and shall be accompanied by a copy of the schedule of fees which the applicant proposes to post in accordance with section sixteen, and of the form of contract which the applicant proposes to employ in accordance with section fifteen.

SECTION 7. Upon the filing of an application as provided in section six the official or board authorized to grant the license shall cause an investigation to be made as to the character of the applicant or applicants, or if the applicant is a corporation, of the officers thereof, and of the person who is to have general management of the business, and as to the location of the office. In cities in which the licenses hereunder are granted by the supervisor of employment offices the investigation required by this section shall be made by an inspector of employment offices appointed under the provisions of section thirty-two. Else-



where such investigation shall be made by a police officer or other person appointed by the board authorized to grant the license. The application may be rejected if the official or board authorized to grant the license shall find that any of the persons named in the application is not of good moral character, or that any of said persons has previously been connected as licensee, manager or officer with an employment office the license to maintain which has been revoked, or that the office is to be located upon or immediately adjoining any premises on which intoxicating liquors are sold to be consumed on the premises, or that there is any other good and sufficient reason within the meaning and purpose of this act for rejecting said application; and if the application is for a class three license, it may also be rejected if in the opinion of said board or official the schedule of fees filed therewith is exorbitant, or the form of contract submitted therewith is unfair or oppressive, or if the said board or official shall find that the statements therein as required by section five are not true: *provided, however*, that no application shall be rejected until the applicant has been notified in writing of the reasons for such rejection, and has been given a hearing if he requests and a reasonable opportunity to disprove the fact or facts upon which such rejection is based. Unless the application shall be rejected for one or more of the causes specified above, it shall be granted.

SECTION 8. In cities having a population of more than seventy-five thousand inhabitants no license shall be issued after application therefor has been granted until the applicant shall file with the supervisor of employment offices a bond in the penal sum of one thousand dollars, with two sufficient sureties or one corporate surety, to be approved by said supervisor. The condition of the bond shall be such that said applicant in conducting the office and acting as employment agent shall comply with the provisions of this act, and shall pay and discharge all obligations and liabilities incurred by him in connection with said office or business. Such bonds shall be made payable to the commonwealth of Massachusetts, but any person having a claim against the employment agent arising out of the conduct of the business carried on under the license may, with the consent of the supervisor of employment offices, bring suit in his own name upon the bond filed by said employment agent against the principal and sureties or surety therein named, and recover the amount due him.

SECTION 9. After an application for a license has been granted, and after a bond has been filed as provided in section eight if one is required, and after payment of the license fee hereinafter provided for, a license shall be issued to the applicant, in which shall be stated the name or names of the licensee or licensees, the location of the office, the name of the person who is to have the general management of the business, the name under which the business is to be carried on, and the number and date of the license. If the licensee is a corporation, the names of the president and treasurer of said corporation shall also be stated in the license. Each license shall also state whether it is a class one license or a class two license or a class three license, and if it is a class three license shall set forth the particular branch of trade, industry, business or employment with reference to which the licensee is authorized to act as an employment agent.

SECTION 10. The license fee to be paid for licenses granted by the supervisor of employment offices shall be fifteen dollars for a class one license, twenty-five dollars for a class two license and fifty dollars for a class three license, except in cities having a population of more than five hundred thousand inhabitants, in which the license fee shall be twenty-five dollars for a class one license, fifty dollars for a class two license and seventy-five dollars for a class three license, and all such fees shall be paid into the treasury of the commonwealth. In other cities and towns the license fee to be paid for each sort of license shall be such sum, not less than five dollars and not more than twenty-five dollars, as the mayor and aldermen of each city and the board of selectmen of each town shall annually determine, and all such fees shall be paid to the treasurer of the city or town in which the license is granted.

SECTION 11. Every license shall remain in force until the first day of May next after its issue, but every licensee shall be entitled upon paying the amount of the license fee, and filing a new bond, if one is required by section eight, on or before the first of May in each year, to have a new license for the ensuing year, unless the board or official authorized to grant the same shall refuse to do so for any of the reasons hereinafter stated.

SECTION 12. If the board or official which granted any license shall find that the licensee has violated any of the provisions of this act, or has acted dishonestly in connection with his business, or has improperly attempted to conduct his business in such a



manner as to cause frequent vacancies in employment for the purpose of increasing the number of fees to be earned by him, or that any other good and sufficient reason exists within the meaning and purpose of this act, said board or official may revoke said license, or refuse to grant a new license to the licensee upon the termination thereof; but in either case no such action shall be taken until a written notice has been sent to said licensee, specifying the charges against him, and he has been given a hearing if he requests and a reasonable opportunity to disprove or explain said charges.

SECTION 13. No license granted under the terms of this act shall be transferable, except that the licensee may at any time admit a partner to the business as herein provided. No licensee shall permit any person not mentioned in the license to become connected with the business, either as a partner, or as general manager, or as president or treasurer of a licensed corporation, unless the written consent of the board or official which granted the license shall first be obtained. Such consent may be withheld for any reason for which an original application for a license might have been rejected, if the person in question had been mentioned therein. If such consent is given, the name or names of the person or persons so becoming connected with the office shall be endorsed upon the license, and if such license is renewed, shall be substituted for or added to the name or names of the person or persons originally mentioned therein.

SECTION 14. No licensee shall open, conduct or maintain an office at any other place than that specified in the license without first obtaining the written consent of the board or official which granted the license. Such consent may be withheld for any reason for which an original application might have been rejected if such place had been mentioned therein. If such consent is given, it shall be endorsed upon the license, and if such license is renewed, such other place shall be substituted for the place originally named in said license. So long as any licensee shall continue to act as an employment agent under his license, he shall maintain and keep open an office or place of business, either at the place specified in the license, or at some other place authorized as above.

SECTION 15. Every licensee holding a class three license shall file with the board or official which granted said license a copy of the form of contract into which said licensee proposes to enter with persons applying to said licensee for employment, and shall not act as employment agent for any person seeking employment



except in accordance with the terms of such contract. Said form of contract may be changed from time to time, but no such change shall be acted upon until a new copy showing such changes has been filed with said board or official, and if said board or official shall find that such contract is unfair or oppressive, such finding shall be sufficient cause for the revocation of such license, as provided in section twelve.

SECTION 16. Every licensee hereunder shall post in a conspicuous place in every room used for business purposes in the employment office conducted by him a schedule showing the amount of the fees to be charged either to employees or employers with reference to all kinds of employment as to which such licensee proposes to act as employment agent, and showing also to what extent, if at all, such fees for each kind of employment are to vary with the rate of wages received by the employee, or with the duration of the employment obtained; and if different fees are to be charged in the case of male and female employees, the rates for each sex shall be clearly stated. A copy of the schedule so posted shall be sent to the board or official which granted the license, and no licensee hereunder shall charge or receive from an employer or from an employee in return for services rendered or to be rendered as an employment agent any fee, commission, gift or valuable consideration of any kind whatever, except a fee in money to the amount stated in such schedule. The schedules so posted may be changed at any time provided that a copy of such changes shall be sent to said board or official before such changes are posted or acted upon. The schedules posted by licensees holding class one or class two licenses shall conform to the rules provided for by section seventeen, and if said board or official shall find that the fees shown by the schedule so posted by a licensee holding a class three license are exorbitant, such finding shall be sufficient cause for the revocation of such license, as provided in section twelve.

SECTION 17. The following rules shall govern the fees charged by licensees holding class one licenses and class two licenses, except so far as said rules may be altered or added to, as provided in section eighteen.

#### RULES FOR CLASS ONE LICENSES.

1. No fee shall be charged to any employer or any employee except as herein expressly stated.
2. Every employer who applies to the licensee for an employee or employees may be charged a fee for each employee applied for

at the time of such application, and every employee who applies to the licensee for employment may be charged a fee for the position so applied for at the time when said employee is engaged by an employer at the office of the licensee or sent from said office to apply for employment elsewhere, but no such fee, whether charged to an employer or an employee, shall exceed the following amounts, namely: —

In the case of female employees: if the employment in question is to last less than two weeks, one-tenth of the total amount to be earned by the employee during such employment; if the employment in question is to last two weeks or more, one-fifth of one week's wages to be earned by the employee in such employment, or seventy-five cents if such wages are less than three dollars and seventy-five cents per week.

In the case of male employees: if the employment in question is to last less than two weeks, one-eighth of the total amount to be earned by the employee in such employment; if the employment in question is to last two weeks or more, one-fourth of one week's wages to be earned by the employee in such employment, or one dollar if such wages are less than four dollars per week.

3. If an employee shall not obtain and accept employment at the place to which he is sent to apply for the same, or after being engaged by an employer shall not be permitted by said employer to enter upon the duties of the employment in question, the whole amount of the fee paid by said employee shall be refunded upon demand. If an employer shall not obtain and engage an employee within six days after the payment of a fee, or if an employee engaged by such employer shall fail to enter upon the duties of the employment in question, the whole amount of the fee paid by such employer shall be refunded upon demand.

If any employment with reference to which a fee has been paid by the employer or the employee or both shall terminate from any cause within two weeks after the employee has entered upon the duties of such employment, the total amount of the fee collected and retained from either the employer or the employee shall not exceed in the case of female employees one-tenth and in the case of male employees one-eighth of the wages of the employee calculated at the rate agreed upon for the period during which said employment actually continued, and the excess, if any, collected from either the employer or the employee shall be refunded upon demand.



## RULES FOR CLASS TWO LICENSES.

1. No fee shall be collected from any employee who applies to the licensee for employment until said employee actually enters upon the duties of the employment procured by him in consequence of such application, and no such fee shall exceed the amount of one week's wages to be earned by the employee in such employment, and if such employment shall terminate from any cause within six weeks after said fee becomes payable as aforesaid, the total amount of such fee retained and collected shall not exceed one-sixth of one week's wages for each week and a corresponding portion of one week's wages for each fraction of a week during which said employment actually continued, and the excess, if any, collected from such employee shall be refunded upon demand.

2. Notwithstanding the foregoing rule a licensee holding a class two license may elect to be governed by the rules for class one licenses as to any particular kind or kinds of employment: *provided*, that a statement of said kind or kinds of employment is posted in connection with both sets of rules in the manner required by section twenty-two, so as to show clearly what kind or kinds of employment are to be governed by each set of rules, and a copy of such statement is sent to the board or official which granted the license.

SECTION 18. In the year one thousand nine hundred and thirteen and in each year thereafter the state board of industrial inspection may alter or add to the rules contained in section seventeen as applicable to cities having a population of more than seventy-five thousand inhabitants, and the mayor and aldermen of any other city and the board of selectmen of any town may alter or add to said rules as applicable to said city or town. Notice of the alterations and additions to be made in any year shall be sent to every licensee to be affected thereby before the first day of April in such year, and a hearing thereon shall be given at a time and place stated in said notice, which time shall be not less than seven days after the sending of such notice, and such alterations and additions shall go into effect on the first day of May next after their adoption. After the first day of May in each year no further alterations or additions shall be made until the following year, except that on petition of one-half of all the licensees to be affected thereby the altera-



tions or additions petitioned for may be made to take effect at any time, provided that notice of the same is sent to all licensees and a hearing is given as above provided.

SECTION 19. Every licensee hereunder shall give to every person from whom a fee is received for services rendered or assistance furnished by such licensee a receipt stating the name of the person paying the fee, the amount of the fee, the date of payment, and for what it is paid, and if the licensee shall furnish transportation for any employee to his place of employment, the amount, if any, collected from such employee to cover the expense of such transportation shall be stated in such receipt, separate from the amount of the fee for services. Upon the back of every receipt so given by a licensee holding a class one license or a class two license shall be printed that portion of the rules provided for by section seventeen which is applicable to the refunding of the fee for which such receipt is given. Such rules shall be printed in the English language, or in case the person to whom such receipt is given does not understand the English language, then in some other language which such person does understand.

SECTION 20. Every licensee hereunder who shall send any applicant for employment to apply for the same at any place outside of the office of such licensee shall give to such applicant a card upon which shall be stated the name of the applicant, the name and address of the person to whom the applicant is referred, and the kind of employment supposed to be obtainable at such place; and if any applicant for employment is sent to apply for the same at any place outside of the city or town in which the office of the licensee is situated, the card to be given such applicant as above provided shall also state the probable duration of the employment, the rate of wages actually offered by the employer, the hours of labor to be performed by the employee, the expense of transportation to such place, and by whom the same is to be paid; and if it shall appear that no employment of the kind applied for was obtainable at such place, and that the licensee or his agent knew or ought to have known that such was the fact, or made any false statement concerning the probability of obtaining employment at such place, or concerning the kind and terms of the employment there obtainable, such licensee shall pay to such applicant the amount expended by him for transportation in going to and from such place, in

addition to any refund of the fee paid by such applicant which may be otherwise required.

SECTION 21. If any licensee shall hire or engage any employee for an employer he shall give to such employee a written memorandum of the terms of the contract under which he is engaged, stating the name of the employee, the name and address of the employer, the nature of the employment, the place at which the services are to be performed, the wages to be paid, the hours of labor, the duration of the employment, and the cost of transportation to the place of employment, and by whom the same is to be paid; and if the applicant shall not be permitted by the employer to enter upon the duties of the employment in question, or if he shall refuse to do so by reason of any false statement made by the licensee or his agent as to the nature or terms of such employment, the licensee shall pay to such applicant the amount expended by him for transportation in going to and from such place, in addition to any refund of the fee paid by such applicant which may be otherwise required.

SECTION 22. Every licensee shall keep his license conspicuously posted in the principal room in the office maintained by him. Every licensee shall also post in a conspicuous place in every room of his office used for the transaction of business printed copies of the rules provided for by section seventeen so far as they apply to the business of the licensee, and printed copies of sections nineteen, twenty and twenty-one of this act. Said rules and sections shall be legibly printed in a manner satisfactory to the board or official which granted the license, in the English language and likewise in some language understood by any persons commonly doing business with said office who do not speak English. In cities having a population of more than seventy-five thousand inhabitants there shall be added to such printed matter the name and address of the supervisor of employment offices, together with a statement that all complaints in regard to the office should be made to him.

SECTION 23. Every licensee shall keep a record in which applications for employment received from employees shall be entered in the order in which they are received, showing the name and address of the applicant, the kind of employment desired and the date of the application; and shall also keep another record in which all applications for employees received from employers shall be entered in the order in which they are

received, showing the name and address of the applicant, the number of employees desired, the kind of employment offered and the date of the application. Every licensee shall also enter, either in the record of employees opposite the name of each employee or in some separate book or card system on a page, card or space devoted to such employee, the name of the employer by whom said employee is engaged, the rate of wages agreed upon, the amount of the fee paid by such employee and the date of each transaction so entered; and shall also enter, either in the record of employers opposite the name of each employer or in some separate book or card system on a page, card or space devoted to such employer, the name of each employee engaged by such employer, the rate of wages agreed upon, the amount of the fee paid by such employer and the date of each transaction so entered. Such books and records shall be at all reasonable times open to the inspection of the licensing authorities or their representatives and the inspectors provided for by section thirty-two.

SECTION 24. The board or official authorized to grant licenses hereunder in any city or town may make from time to time such further rules and regulations as are deemed necessary or expedient in regard to the form of the records, receipts, cards, contracts, printed copies and records required by sections nineteen to twenty-three, inclusive, and may, if it seems advisable, prepare books, forms and printed copies to be used by licensees under said sections, and furnish the same to licensees at cost.

SECTION 25. All business signs displayed by any licensee hereunder shall contain the name under which the business is carried on as stated in the license, and all advertisements by means of cards, circulars or publications, and all letter heads, receipts and other blank forms used by the licensee, shall contain said business name and the address of the office.

SECTION 26. Every licensee shall if possible obtain from every applicant for employment the names of at least two persons to whom the person desiring to employ said applicant may refer for information concerning the said applicant. The names of persons obtained as references shall be recorded, and if any applicant for employment shall fail to furnish such references, that fact shall be recorded. The names of the references if given, or the fact that no references have been obtained if such be the fact, shall be communicated to every employer to whom the applicant for employment is recommended or referred as



a possible employee. All written communications received by the licensee concerning the character and qualifications of any applicant for employment shall be kept on file by the licensee, and exhibited on request to any employer who thinks of employing said applicant.

SECTION 27. No licensee hereunder and no agent of any licensee shall publish or circulate or cause to be published or circulated any false or misleading advertisement, notice or statement in any newspaper or other publication, or by means of cards or circulars; or make any false statement or representation in connection with the business of such licensee to any person seeking employment or to any employer seeking an employee; or make any false entry or statement in any record or in any receipt or other document used in the business of such licensee; or pay, rebate or remit to any employer or any agent of any employer any part of any fee paid or payable to such licensee with reference to the employment of any employee by such employer; or pay or render to such employer or agent any sum, or valuable consideration of any kind, in connection with or in return for the employment of any employee; or persuade, induce or procure, or attempt to persuade, induce or procure, any such employer or agent to discharge an employee, or any employee to leave his employment; or knowingly bring about or assist in the employment of any minor in violation of the laws relating to the employment of minors; or knowingly permit any prostitute, gambler, intoxicated person, procurer or person of bad character to enter or remain in the employment office conducted by such licensee.

SECTION 28. No licensee and no agent of any licensee shall knowingly bring about or assist in the employment of any child under the age of eighteen years for appearance upon the stage in any theatrical entertainment, exhibition or play, or in any position connected with any such entertainment, exhibition or play, unless a parent or legal guardian of such child shall have notified the licensee in writing that he consents to such employment.

SECTION 29. If an employee who has applied for employment to any licensee hereunder shall agree in writing with such licensee that the fee to become due such licensee from such employee with reference to such employment as he may obtain in consequence of his application shall be deducted from the wages earned by said employee in said employment, and paid

by the employer to the licensee, and if a copy of said agreement is sent to the employer within four days after the employee has entered upon such employment, together with a statement of the amount of the fee in question, said agreement shall constitute a valid assignment of the wages of said employee to the extent of said fee, and the provisions of sections one hundred and twenty-one to one hundred and twenty-six inclusive of chapter five hundred and fourteen of the acts of the year nineteen hundred and nine and acts in amendment thereof shall not apply to such transaction.

SECTION 30. No person shall conceal or misrepresent the amount of wages paid by him to an employee or received by him from an employer for the purpose of reducing the amount of any fee paid to a licensee hereunder in connection with the employment in which such wages are paid, or fraudulently apply to any licensee for employment or for an employee for the purpose of assisting another person to obtain the employment or employee suggested by the licensee in consequence of such application without the payment of any fee.

SECTION 31. Whoever violates any of the provisions of sections two, thirteen and fourteen of this act shall be punished by a fine of not more than two hundred dollars for each offense, and whoever violates any of the other provisions of this act or any rules adopted hereunder shall be punished by a fine of not more than fifty dollars for each offense.

SECTION 32. The state board of industrial inspection shall appoint upon nomination of the supervisor of employment offices at least two inspectors of employment offices, and shall determine the salaries and terms of office of said inspectors. Such inspectors shall be classified and appointed in accordance with the provisions of chapter nineteen of the Revised Laws and acts in amendment thereof, and the rules adopted thereunder. Such inspectors shall make all investigations as to the character of applicants for licenses required by this act in cities having a population of more than seventy-five thousand inhabitants, and such other investigations in regard to licensees or applicants for licenses as may be directed by the supervisor of employment offices, and shall regularly inspect the offices maintained by licensees in said cities as often and in such manner as said supervisor shall direct; and shall report the results of all investigations and inspections to said supervisor, and shall take such action as he shall direct in regard to alleged or suspected vio-

lations of law by licensees and prosecutions therefor. It shall be the duty of the supervisor of employment offices to direct and superintend the work of the inspectors provided for by this section in such manner as will in his opinion best secure the enforcement of the provisions of this act, and to take such action as he considers wise in regard to the prosecution of licensees who violate the provisions of this act and the revocation of licenses. Nothing herein shall require the inspection of any teachers' agency, nurses' agency or registry, or ministerial agency, except upon complaint.

SECTION 33. Sections twenty-three to twenty-eight inclusive of chapter one hundred and two of the Revised Laws and sections one hundred and eighty-six to one hundred and eighty-nine inclusive of said chapter, so far as they apply to intelligence offices, are hereby repealed.

SECTION 34. This act shall take effect upon its passage, except that no licenses shall be actually issued hereunder until the first day of May in the year nineteen hundred and twelve, and until said time all existing employment offices and employment agents in the commonwealth shall be governed by the provisions of the laws repealed by section thirty-three, and not by this act.



## APPENDIX B.

DRAFT OF AN ACT CONCERNING STATE FREE EMPLOYMENT  
OFFICES.

*Be it enacted, etc., as follows:*

SECTION 1. During the year nineteen hundred and eleven the governor shall appoint, with the consent of the council, a board of five persons, to be known as the State Board of Employment. One of said persons shall be appointed to serve until the thirty-first day of December in the year nineteen hundred and twelve, and one to serve until the thirty-first day of December in each of the four succeeding years. In December in the year nineteen hundred and twelve, and each year thereafter, the governor shall appoint, with the consent of the council, one member of said board to serve for the term of five years from the first day of the following January. If any vacancy shall occur in said board by the death, resignation or incapacity of a member the governor shall appoint, with the consent of the council, a new member of said board to serve for the unexpired term of the member so dying, resigning or becoming incapacitated. Said board shall serve without compensation.

SECTION 2. Said board shall employ a secretary, to be appointed by it subject to the approval of the governor and council, and to receive such salary as may be determined by said board with the approval of the governor and council, and said secretary may be removed from office at any time by said board. It shall be the duty of said secretary to assist said board in the exercise of its powers and the discharge of its duties in such manner as said board shall direct.

SECTION 3. Said board shall have the management and control of all employment offices maintained by the commonwealth as hereinafter provided, and shall also investigate and consider whether it is possible for it, through said employment offices, by conferences with employers, by intercommunication between the employment offices of this and other states, by the collection and distribution of statistics and information, or by any other means, to provide a more abundant and better supply of farm

labor throughout the commonwealth; to reduce the extent to which casual workers without regular employment are engaged in any particular branch or branches of industry; to bring about a better system of shifting employees from one industry to another in accordance with the seasonal fluctuations of business in the various branches of industry; to secure more speedy and suitable employment for immigrants; to assist young persons just entering the field of employment to choose and obtain such employment as will give them the best available opportunity for future development; to assist aged persons to obtain special employment suitable to their infirmities; to induce municipalities or private employers employing large numbers of workers on construction work to plan their work so as to equalize the total demand for labor from year to year as far as is possible; or in any other way to reduce the evils and economic losses resulting from unemployment and misemployment, and bring about a more scientific application of the whole working force of the community. Said board shall also take such affirmative action as shall seem to it feasible for carrying out any or all of the above purposes, and shall annually, on or before the third Wednesday in January, submit to the general court a report of the work of said board and the operations of the employment offices under its charge during the preceding year, and shall make therein such recommendations as it shall deem proper. The secretary of the commonwealth shall cause twenty-five hundred copies of said report to be printed in each year, and the expense of such printing shall be paid for out of the sum annually appropriated by the general court for the contingent expenses of said board.

SECTION 4. From and after the first day of January in the year nineteen hundred and twelve, the three employment offices now under the care and direction of the director of the bureau of statistics shall be maintained under the care and direction of said board, and employment offices may thereafter be established and maintained under the care and direction of said board in such cities as it may select. Said board may also discontinue any of said employment offices at any time. The business of such employment offices as shall be maintained under the provisions of this section shall be to receive and register applications for employment and applications for employees, and to assist employees to obtain employment and employers to obtain employees, and to perform such other functions in connection with the work of said board as it may direct.

SECTION 5. Said board shall appoint a superintendent for each of the offices maintained under section three, who shall, under the direction of said board, have the general management of said office and perform such other duties in connection therewith as said board may require. Said board may also appoint an assistant superintendent and such clerks as it may deem necessary for the proper conduct of the business of each of said employment offices. Such superintendents, assistant superintendents and such clerks as may be appointed to act as chief clerks or assistant superintendents shall receive such salary as may be determined by said board, with the approval of the governor and council, and may be removed from office at any time by said board. All such superintendents, assistant superintendents and clerks shall be classified and appointed in accordance with the provisions of chapter nineteen of the Revised Laws, and acts in amendment thereof, and the rules adopted thereunder.

SECTION 6. No fees direct or indirect shall in any case be taken from those seeking the benefits of said employment offices, except that said board may require each applicant for employment to pay at the time when he is referred to any place of employment a fee of not more than twenty-five cents, which fee if collected shall be refunded to said applicant if he shall fail to obtain employment at the place to which he is referred and shall demand such refund within such reasonable time as may be fixed by said board. Any superintendent or clerk who directly or indirectly charges or receives any fee in the performance of his duties, except as above, shall be punished by a fine of not more than one hundred dollars, or by imprisonment in jail for a term not exceeding thirty days, and shall be disqualified from holding any further position in connection with said employment offices. All fees collected by any employment office hereunder shall be accounted for by the superintendent of said office, and paid over as often as said board shall determine to the treasury of the commonwealth.

SECTION 7. In registering applications for employment and for employees wanted at any employment office maintained under the provisions of this act preference shall be given to residents of the commonwealth.

SECTION 8. Each superintendent shall make to said board such reports of applications for labor or employment and of other details of the work of his office as said board may require.



Said board shall cause reports showing the business of the several offices to be prepared at regular intervals and to be exchanged among said offices, and shall supply them to the newspapers and to citizens upon request, and the several superintendents shall cause such reports to be posted in a conspicuous place in their offices so that they may be open to public inspection.

SECTION 9. Said board is hereby authorized to furnish weekly to the clerks of all cities and towns in the commonwealth printed bulletins showing the demand for employment, classified by occupations, to such extent as may be practicable, and indicating the city or town in which the employees are wanted. Such information shall be based upon the applications for employees made at the employment offices under the jurisdiction of said board.

SECTION 10. Every city and town clerk shall post the lists received as aforesaid in one or more conspicuous places in the city or town. A city or town clerk who fails to comply with the provisions of this section shall be punished by a fine not exceeding ten dollars.

SECTION 11. The furniture and fixtures of said employment offices shall be provided by the sergeant-at-arms in the manner and under the restrictions specified in section four of chapter ten of the Revised Laws for buildings or parts of buildings leased to the commonwealth. The location of each office established under the provisions of this act shall be plainly indicated by a proper sign or signs.

SECTION 12. There shall be allowed and paid out of the treasury of the commonwealth, upon the approval of said board, for salaries and other contingent expenses in connection with the work of said board and the establishment and maintenance of the employment offices herein provided for, such sum as the general court may annually appropriate for said purposes.

SECTION 13. Sections one to nine inclusive of chapter five hundred and fourteen of the acts of the year nineteen hundred and nine, and so much of chapter three hundred and seventy-one of the acts of the year nineteen hundred and nine as gives to the bureau of statistics or the director thereof any powers or duties with reference to free employment offices, are hereby repealed, to take effect on the first day of January in the year nineteen hundred and twelve.

## APPENDIX C.

## RULES RELATING TO INTELLIGENCE OFFICES OF THE LICENSING BOARD FOR THE CITY OF BOSTON.

*Class I.*

1. The Licensing Board will, upon petition, license suitable persons to establish and keep intelligence offices for the purpose of obtaining and giving information concerning places of employment for employees in restaurants and hotels, for accountants, clerks, draughtsmen, stenographers, typewriters, bookkeepers, cashiers, employees in mercantile or other business houses, employees in warehouses, porters, night watchmen, railroad employees, gardeners, persons in charge of farms, dairymen, superintendents of country estates, masons, plumbers, painters, tailors, plasterers, blacksmiths, carpenters, machinists and other mechanics, truckmen, teamsters, barbers, engineers, firemen and compositors.

Intelligence office keepers, under Class I, shall be entitled to contract in writing with the person applying for business employment for the payment by the employee of an amount not exceeding one week's wages in the employment furnished; except that, if the applicant for employment is discharged within six weeks from the time of entering upon such employment, the intelligence office keeper shall not be entitled to receive from the applicant for employment more than one day's pay for each week or fraction thereof that the employee has remained in the employment furnished; and further provided, that, if a person is given employment and leaves of his own accord within three weeks of the time the employment was furnished, the intelligence office keeper shall refund to such applicant, within four days of demand, three-fifths of the fee charged. The fee for a license under Class I shall be \$50. (Revised Laws, chapter 102, sections 24, 186; rule of the Licensing Board to be enforced by the police.)

2. Every licensed intelligence office keeper under Class I shall post his license and two copies of this rule in conspicuous places on the premises occupied by him; and, further, shall post on his

outside door a sign with his name and the fact that he is a licensed intelligence office keeper thereon. (Rule of the Licensing Board to be enforced by the police.)

3. Every licensed intelligence office keeper under Class I shall keep a record of the names and addresses of applicants placed in positions, also a record of the names and addresses of the employers with whom applicants are placed, and also any and all sums of money which may be received of any person for such services; and such records shall at all times be open to the inspection of any one of the Licensing Board or any person by them authorized. (Rule of the Licensing Board to be enforced by the police.)

4. Every licensed intelligence office keeper under Class I who directs any applicant for employment to an employer shall, if it shall appear that no situation of the kind applied for was vacant at the place to which such applicant was directed, or if the employment furnished was not as specified by the licensee, and the person applying for employment does not accept the employment, refund to such applicant within four days of demand any sums paid by him for transportation in going to and returning from said employer, and all fees paid by the applicant.

5. Applications for all licenses issued pursuant to this rule shall be filed at the office of the Licensing Board prior to the first day of May, and shall be examined and reported on by the officers detailed to the intelligence office service. Such licenses may be granted during the month of April, to take effect the first day of May next ensuing. Such licenses shall continue in force until May first following, unless sooner revoked. (Revised Laws, chapter 102, sections 186, 187; rule of the Licensing Board to be enforced by the police.)

All persons shall state in their applications the place they propose to occupy, and no such license shall protect the holder thereof in a building or place other than that designated in the license, unless consent to the removal is granted by the Licensing Board. (Revised Laws, chapter 102, section 188; rule of the Licensing Board to be enforced by the police.)

6. All licenses granted to keepers of intelligence offices shall be signed by a majority of the Licensing Board, and shall be recorded by the secretary of the Licensing Board in a book kept for that purpose before being delivered to the licensee. Such license shall set forth the name of the person licensed, the nature



of the business and the building or place in which it is to be carried on. (Revised Laws, chapter 102, section 186.)

7. Whoever, as proprietor or keeper of an intelligence or employment office, either personally or through an agent or employee sends any woman or girl to enter (as an inmate or servant) a house of ill-fame or other place resorted to for the purpose of prostitution, the character of which on reasonable inquiry could have been ascertained by him, shall for each offence be punished by a fine of not less than \$50 nor more than \$200. (Revised Laws, chapter 212, section 8.)

8. Whoever, without a license therefor, establishes or keeps an intelligence office for the purpose of obtaining or giving information concerning places of employment for domestic servants or other laborers, except seamen, or for procuring or giving information concerning such persons for or to employers, or for procuring or giving information concerning employment in business, shall be punished by a fine of \$10 for each day such office is so kept. (Revised Laws, chapter 102, section 23.)

9. All licenses provided for by this rule may be revoked by the Licensing Board at pleasure. (Revised Laws, chapter 102, section 24.)

Such licenses will be revoked for violation of any statute or rule of the Licensing Board relating to the business of the licensees, or for any other cause deemed sufficient by the Licensing Board. (Rule of the Licensing Board to be enforced by the police.)

Make any complaints to any police officer, who will direct you to the proper authorities.

### *Class II.*

1. The Licensing Board will, upon petition, license suitable persons to establish and keep intelligence offices for the purpose of obtaining and giving information concerning places of employment for coachmen, grooms, hostlers, longshoremen, lumbermen, seamstresses, cooks, scrubwomen, laundresses, nurses (except professional nurses), chambermaids, maids of all work, domestics, servants, agricultural or other laborers (except seamen), or for the purpose of procuring or giving information concerning such person for or to employers.

The fee for a license under Class II shall be \$25. (Revised Laws, chapter 102, section 186; rule of the Licensing Board to be enforced by the police.)

Intelligence office keepers under Class II shall be entitled to receive from an employer, at the time of application: —

For a female employee whose wages are to be less than \$4 per week, 75 cents.

For a male employee whose wages are to be less than \$4 per week, \$1.

For a female employee whose wages are to be \$4 or more per week, 20 per cent. of the first week's wages.

For a male employee whose wages are to be \$4 or more per week, 25 per cent. of the first week's wages.

Provided that this fee shall be returned within four days of demand, if no employee is furnished within six days of payment; and further provided that if an employee furnished fails to remain ten days in the situation a new employee shall be furnished, or two-fifths of this fee shall be returned within four days of demand.<sup>1</sup>

When an applicant for employment is sent from the intelligence office to an employer, intelligence office keepers under Class II shall be entitled to receive, at the time the applicant for employment is directed to an employer: —

From a female applicant for employment whose wages are to be less than \$4 per week, 75 cents.

From a male applicant for employment whose wages are to be less than \$4 per week, \$1.

From a female applicant for employment whose wages are to be \$4 or more per week, 20 per cent. of the first week's wages.

From a male applicant for employment whose wages are to be \$4 or more per week, 25 per cent. of the first week's wages.

Provided that this fee shall be refunded within four days of demand or another situation furnished if the applicant does not enter the employ of the person to whom he or she was directed; and further provided that two-fifths of any fee paid by any applicant for employment shall be refunded within four days of demand or another situation furnished if the employee is discharged within ten days of employment; and further provided that the fee and any sums paid by the applicant for transportation in going to and returning from such employer shall be

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<sup>1</sup> The intelligence office keeper is not required to return a fee to the employer in any case if the employer fails to keep any agreement which he has made in relation to the hiring or employment.

refunded within four days of demand if no situation of the kind applied for was vacant at the place to which the applicant was directed, or if the employment furnished was not as specified by the licensee.

When an applicant for employment is hired at the intelligence office, intelligence office keepers under Class II shall be entitled to receive at the time the agreement for services is made between the applicant for employment and the employer: --

From a female applicant for employment whose wages are to be less than \$4 per week, 75 cents.

From a male applicant for employment whose wages are to be less than \$4 per week, \$1.

From a female applicant for employment whose wages are to be \$4 or more per week, 20 per cent. of the first week's wages.

From a male applicant for employment whose wages are to be \$4 or more per week, 25 per cent. of the first week's wages.

Provided that two-fifths of any fee paid by an applicant for employment shall be refunded within four days of demand, or another situation furnished if the employee is discharged within ten days of employment.<sup>1</sup>

2. Every licensed intelligence office keeper under Class II is required to give each person from whom he accepts a fee a receipt stating the amount so paid, the character of the situation or employment applied for, the name of the applicant, and the conditions under which the fee or any part of it must be returned.

3. Every licensed intelligence office keeper under Class II shall post his license and two copies of this rule in conspicuous places on the premises occupied by him, and, further, shall post on his outside door a sign with his name and the fact that he is a licensed intelligence office keeper thereon. (Rule of the Licensing Board to be enforced by the police.)

4. Every licensed intelligence office keeper under Class II shall keep a book, of pattern to be approved by the Licensing Board, in which shall be entered at the time of application the name and residence of any person who may apply for employment, the name and residence of any person who may make application to be supplied with an employee, the character of

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<sup>1</sup> The intelligence office keeper is not required to return a fee to the applicant for employment in any case if the applicant fails to keep any agreement which he has made in relation to the hiring or employment.



the situation or employment demanded or furnished, and also any and all sums of money which may be received of any person for such services; and such books shall at all times be open to the inspection of any one of the Licensing Board or any person by them authorized. (Rule of the Licensing Board to be enforced by the police.)

5. Applications for all licenses issued pursuant to this rule shall be filed at the office of the Licensing Board prior to the first day of May, and shall be examined and reported on by the officer detailed to the intelligence office service.

Such licenses may be granted during the month of April, to take effect on the first day of May next ensuing. Such licenses shall continue in force until May first next succeeding their date, unless sooner revoked. (Revised Laws, chapter 102, sections 186, 187; rule of the Licensing Board to be enforced by the police.)

All persons shall state in their applications the place they propose to occupy, and no such license shall be valid to protect the holder thereof in a building or place other than that designated in the license, unless consent to the removal is granted by the Licensing Board. (Revised Laws, chapter 102, section 188; rule of the Licensing Board to be enforced by the police.)

6. All licenses granted to keepers of intelligence offices will be signed by a majority of the Licensing Board, and will be recorded by the secretary of the Licensing Board in a book kept for that purpose before being delivered to the licensee. Such license shall set forth the name of the person licensed, the nature of the business and the building or place in which it is to be carried on. (Revised Laws, chapter 102, section 186.)

7. Whoever, as proprietor or keeper of an intelligence or employment office either personally or through an agent or employee, sends any woman or girl to enter (as inmate or servant) a house of ill-fame or other place resorted to for the purpose of prostitution, the character of which on reasonable inquiry could have been ascertained by him, shall for each offence be punished by a fine of not less than \$50 nor more than \$200. (Revised Laws, chapter 212, section 8.)

8. Whoever, without a license therefor, establishes or keeps an intelligence office for the purpose of obtaining or giving information concerning places of employment for domestics, servants or other laborers, except seamen, or for procuring or giving information concerning such persons for or to employers,

or for procuring or giving information concerning employment in business, shall be punished by a fine of \$10 for each day such office is so kept. (Revised Laws, chapter 102, section 23.)

9. All licenses provided for by this rule may be revoked by the Licensing Board at pleasure. (Revised Laws, chapter 102, section 24.)

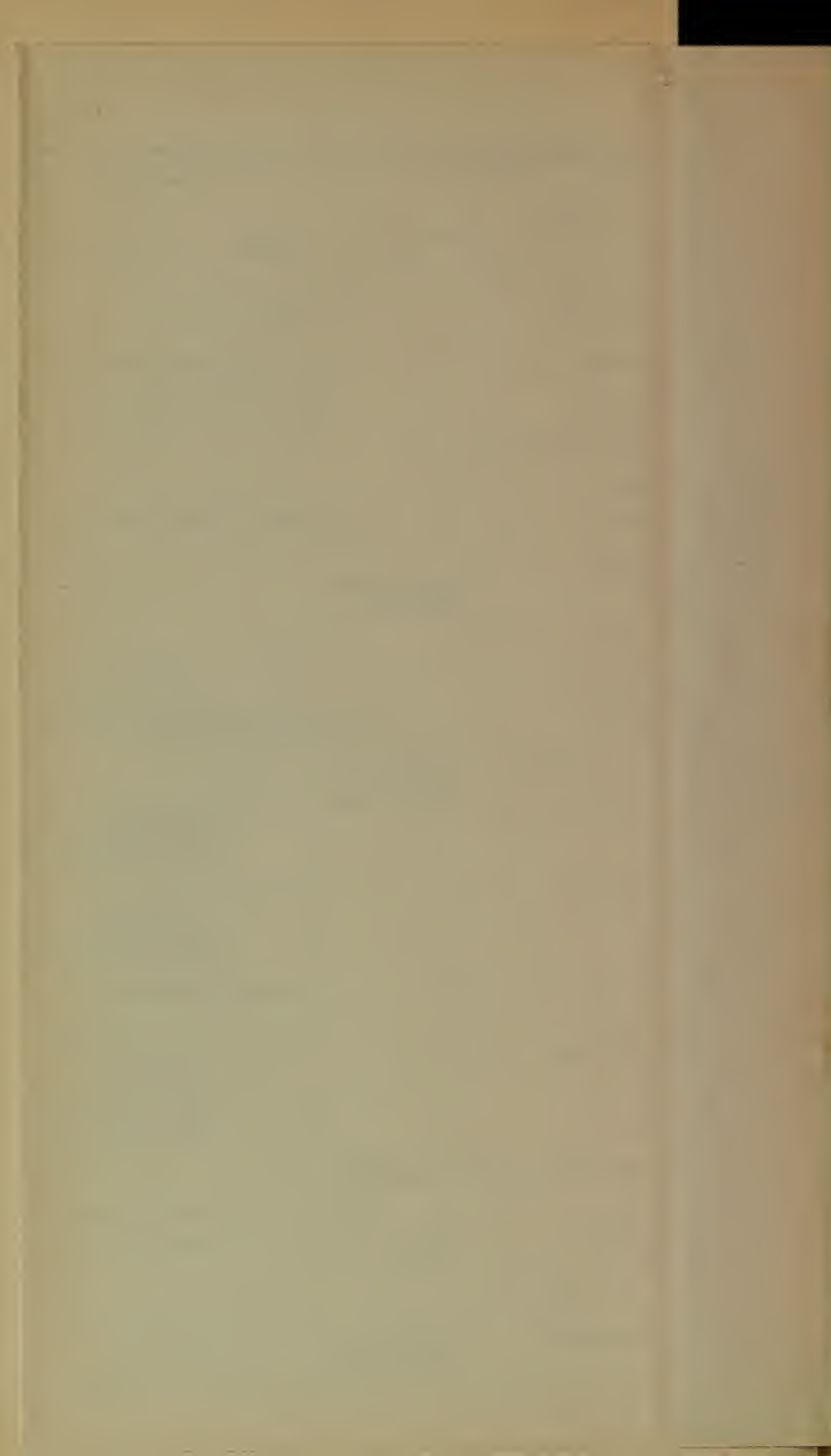
Such licenses will be revoked for violation of any statute or rule of the Licensing Board relating to the business of the licensees, or for any other cause deemed sufficient by the Licensing Board. (Rule of the Licensing Board to be enforced by the police.)

Make any complaint to any police officer, who will direct you to the proper authorities.

TOPICAL SUMMARY OF THE LAWS OF OTHER STATES.

| STATES.               | OFFICERS SUBJECT TO REGULATION.           |                      |  |  |                                | LICENSE REQUIRED.  |                       | MANNER OF GRANTING LICENSE.               |                          |         |                  |                         |                      | Provisions as to Form of License. | LICENSE FEE.                  |   | DURATION OF LICENSE. |                      |
|-----------------------|---|----------------------|--|--|--------------------------------|--|-----------------------|---|--------------------------|---------|------------------|-------------------------|----------------------|-----------------------------------|-------------------------------|---|----------------------|----------------------|
|                       | Particular Kinds only.                    | All Kinds generally. | Exceptions as to Kind.   | Exceptions as to Locality.   | Regulation dependent on a Fee. | From State Authority (Bureau of Labor Statistics or Similar Body). | From Local Authority. | Formal Application (Name, Address, etc.). | Affidavits of Character. | Bond.   | Power to refuse. | Hearing before Refusal. | Appeal from Refusal. |                                   | Single Fee.                   | Annual Fee.   | Unlimited.           | Limited to One Year. |
| California, . . . .   | - -                                       | Yes.                 | - - -  | - -  | Yes.                           | Yes.   | -                     | Yes.                                      | -                        | -       | -                | -                       | -                    | Yes.                              | - -                           | Cities of 1st and 2d class, \$50.<br>Cities of 3d class, \$25.<br>Elsewhere, \$6.           | -                    | Yes.                 |
| Colorado, . . . .     | - -                                       | Yes.                 | Charitable organizations.  | - -  | Yes.                           | Yes.   | -                     | -   | -                        | \$1,000 | -                | -                       | -                    | Yes.                              | - -                           | Cities of 25,000 population, \$50.<br>Cities of 5,000 population, \$25.<br>Elsewhere, \$10. | Yes.                 | -                    |
| Connecticut, . . . .  | - -                                       | Yes.                 | Teachers' agencies.  | - -  | Yes.                           | Yes.   | -                     | -   | -                        | \$500   | -                | -                       | -                    | Yes.                              | - -                           | First year, \$10; afterwards, \$5.  | Yes.                 | -                    |
| District of Columbia, | - -                                       | Yes.                 | - - -  | - -  | Yes.                           | Commissioners of District of Columbia.                             | -                     | Yes.                                      | -                        | \$1,000 | Absolute.        | Yes.                    | -                    | Yes.                              | - -                           | \$25.   | Yes.                 | -                    |
| Idaho, . . . .        | - -                                       | Yes.                 | - - -  | - -  | -                              | - -  | Yes.                  | -   | -                        | \$5,000 | Absolute.        | -                       | -                    | Yes.                              | - -                           | - - -   | Yes.                 | -                    |
| Illinois, . . . .     | - -                                       | Yes.                 | Charitable institutions.   | - -  | Yes.                           | Yes.   | -                     | Yes.                                      | Yes.                     | \$500   | For cause.       | Yes.                    | Certiorari.          | Yes.                              | - -                           | Cities of 50,000 population, \$50.<br>Cities under 50,000 population, \$25.                 | -                    | Yes.                 |
| Indiana, . . . .      | - -                                       | Yes.                 | - - -  | - -  | -                              | Yes.   | -                     | -   | -                        | \$1,000 | -                | -                       | -                    | Yes.                              | \$25                          | - - -   | Yes.                 | -                    |
| Iowa, . . . .         | Officers promising to procure employment. | -                    | - - -  | - -  | Yes.                           | - -  | -                     | -   | -                        | -       | -                | -                       | -                    | -                                 | - -                           | - - -   | -                    | -                    |
| Louisiana, . . . .    | - -                                       | Yes.                 | - - -  | - -  | -                              | - -  | Yes.                  | -   | -                        | \$5,000 | Absolute.        | -                       | -                    | -                                 | - -                           | - - -   | Yes.                 | -                    |
| Maine, . . . .        | - -                                       | Yes.                 | Seamen's agencies.   | - -  | Yes.                           | - -  | Yes.                  | -   | -                        | \$500   | -                | -                       | -                    | -                                 | - -                           | \$20.   | -                    | Yes.                 |
| Minnesota, . . . .    | - -                                       | Yes.                 | Offices securing clerical positions.   | - -  | Yes.                           | - -  | Yes.                  | -   | -                        | \$2,000 | -                | -                       | -                    | -                                 | \$100                         | - - -   | Yes.                 | -                    |
| Missouri, . . . .     | - -                                       | Yes.                 | Charitable organizations.  | - -  | Yes.                           | Yes.   | -                     | -   | -                        | \$500   | -                | -                       | -                    | Yes.                              | - -                           | Cities of 50,000 population, \$50.<br>Cities under 50,000 population, \$25.                 | Yes.                 | -                    |
| New Hampshire, . . .  | Domestics, servants or other laborers.    | -                    | - - -  | - -  | -                              | - -  | Yes.                  | -   | -                        | -       | Absolute.        | -                       | -                    | Yes.                              | - -                           | Fixed by licensing authority, but not less than \$2.  | -                    | Yes.                 |
| New Jersey, . . . .   | - -                                       | Yes.                 | Employers' associations where no fee charged to employee.<br>Teachers' agencies.<br>Nurses' registries (incorporated).<br>Bureaus of registered medical institutions.  | - -  | Yes.                           | - -  | Yes.                  | Yes.                                      | Yes.                     | -       | For cause.       | -                       | -                    | Yes.                              | - -                           | Fixed by licensing authority, but not over \$25.  | -                    | Yes.                 |
| New York, . . . .     | - -                                       | Yes.                 | Employers' associations where no fee charged to employee.<br>Teachers' agencies.<br>Nurses' registries (incorporated).<br>Bureaus of registered medical institutions.<br>Incorporated hospitals.   | Applies only to cities, and as to domestic and commercial agencies only to cities of 1st and 2d class. | Yes.                           | - -  | Yes.                  | Yes.                                      | Yes.                     | \$1,000 | For cause.       | Yes.                    | Certiorari.          | Yes.                              | - -                           | \$25.   | -                    | Yes.                 |
| Ohio, . . . .         | - -                                       | Yes.                 | Charitable organizations.  | - -  | Yes.                           | Yes.   | -                     | -   | -                        | \$500   | -                | -                       | -                    | Yes.                              | - -                           | Cities, \$50 to \$100.<br>Villages, \$10 to \$25.   | Yes.                 | -                    |
| Oklahoma, . . . .     | - -                                       | Yes.                 | Charitable organizations.  | - -  | Yes.                           | Yes.   | -                     | -   | -                        | \$250   | -                | -                       | -                    | Yes.                              | \$5                           | - - -   | Yes.                 | -                    |
| Pennsylvania, . . . . | - -                                       | Yes.                 | Employers' associations where no fee charged to employee.<br>Teachers' agencies.<br>Nurses' registries (incorporated).<br>Bureaus of recognized medical institutions.<br>Agencies dealing with executive, clerical or sales positions for men. | Applies only to cities of 1st and 2d class.  | Yes.                           | - -  | Yes.                  | Yes.                                      | Yes.                     | \$1,000 | For cause.       | -                       | -                    | Yes.                              | - -                           | \$50.   | -                    | Yes.                 |
| Rhode Island, . . . . | Domestics, servants or other laborers.    | -                    | - - -  | - -  | -                              | - -  | Yes.                  | -   | -                        | -       | Absolute.        | -                       | -                    | -                                 | Fixed by licensing authority. | - - -   | Yes.                 | -                    |
| Utah, . . . .         | - -                                       | Yes.                 | Religious or charitable organizations.   | - -  | Yes.                           | - -  | Yes.                  | Yes.                                      | -                        | \$1,000 | Absolute.        | -                       | -                    | -                                 | - -                           | Fixed by licensing authority.   | Yes.                 | -                    |
| Wisconsin, . . . .    | Laborers of any kind whatever.            | -                    | Offices conducted by women for females only.   | - -  | Yes.                           | - -  | Yes.                  | -   | -                        | \$1,000 | -                | -                       | -                    | Yes.                              | - -                           | \$10.   | -                    | Yes.                 |
| 21                    | 4   | 17                   | 13   | 2  | 16                             | 9  | 11                    | 7   | 4                        | 16      | 10               | 3                       | 2                    | 15                                | 4                             | 14  | 12                   | 8                    |
| MASSACHUSETTS,        | Domestics, servants or other laborers.    | -                    | Except seamen.   | - -  | -                              | - -  | Yes.                  | -   | -                        | -       | Absolute.        | -                       | -                    | Yes.                              | - -                           | Fixed by licensing authority, but not less than \$2.  | -                    | Yes.                 |





TOPICAL SUMMARY OF THE LAWS OF OTHER STATES.

| STATES.              | POWER TO REVOKE LICENSE. |              |                   |         |              | Regulations as to Signs, Advertisements, Circulars, etc. | POSTING OF LICENSE AND COPIES OF LAWS.               |  | REGISTERS AND RECORDS TO BE KEPT PERTAINING TO — |            | FEES REGULATED — |             |                 | RETURN OF FEES REQUIRED.   |  | RECEIPTS TO BE GIVEN. |               |  | EMPLOYMENT CARDS AND CONTRACTS TO BE GIVEN. |   | References to be Investigated. | LOCATION OF OFFICE FORBIDDEN IN — |                      | FRAUDULENT PRACTICES FORBIDDEN. |                         |                   |                                | IMMORALITY FORBIDDEN.             |  | INSPECTION AND ENFORCEMENT.         |                           |  |
|----------------------|--------------------------|--------------|-------------------|---------|--------------|--|--|--|--|------------|------------------|-------------|-----------------|----------------------------|--|-----------------------|---------------|--|---|---|--------------------------------|-----------------------------------|----------------------|---------------------------------|-------------------------|-------------------|--------------------------------|-----------------------------------|--|-------------------------------------|---------------------------|--|
|                      | For Cause.               | At Pleasure. | Hearing required. | Appeal. | Irrevocable. |  | License and Laws posted.                             | Name and Address of Enforcing Authority. | Employees.                                       | Employers. | FROM EMPLOYEES.  |             | From Employers. | Refunding of Advance Fees. | Refunding after Position has been taken. | To Employees.         | To Employers. | Rules printed on Back.                   | To All sent to interview Employer.          | To Contract Laborers sent outside City. |                                | Living Apartments.                | Vicinity of Saloons. | Division of Fees.               | Fraudulent Replacement. | False Statements. | Violation of Child Labor Laws. | Sending Women to Immoral Resorts. | Admitting Questionable Characters to Office. | Licensing Authority to enforce Law. | Power to inspect Records. | Regular Inspection by Special Inspectors required. |
|                      |                          |              |                   |         |              |  |  |  |  |            | Advance Fees.    | Total Fees. |                 |                            |  |                       |               |  |   |   |                                |                                   |                      |                                 |                         |                   |                                |                                   |  |                                     |                           |  |
| California           | Yes.                     | -            | -                 | -       | -            | -  | Yes.   | -  | Yes.   | -          | Yes.             | -           | -               | Yes.                       | -  | -                     | -             | -  | -   | -                                       | -                              | -                                 | -                    | -                               | -                       | -                 | -                              | -                                 | Yes.   | Yes.                                | -                         |  |
| Colorado             | Yes.                     | -            | Yes.              | -       | -            | Yes.   | Yes.   | -  | Yes.   | Yes.       | Yes.             | Yes.        | -               | Yes.                       | -  | Yes.                  | Yes.          | -  | Yes.  | -                                       | -                              | Yes.                              | -                    | Yes.                            | -                       | Yes.              | -                              | Yes.                              | Yes.   | -                                   | -                         |  |
| Connecticut          | Yes.                     | -            | -                 | -       | -            | Yes.   | Yes.   | -  | Yes.   | Yes.       | -                | Yes.        | -               | Yes.                       | -  | -                     | Yes.          | -  | -   | -                                       | -                              | Yes.                              | -                    | Yes.                            | -                       | Yes.              | -                              | Yes.                              | Yes.   | -                                   | -                         |  |
| District of Columbia | Yes.                     | -            | Yes.              | -       | -            | Yes.   | Yes.   | -  | Yes.   | Yes.       | Yes.             | Yes.        | Yes.            | -                          | Yes.                                     | -                     | Yes.          | -  | Yes.  | Yes.                                    | Yes.                           | Yes.                              | Yes.                 | Yes.                            | Yes.                    | Yes.              | Yes.                           | Yes.                              | Yes.   | Yes.                                | -                         | -  |
| Idaho                | -                        | -            | -                 | -       | Yes.         | -  | -  | -  | -  | -          | -                | -           | -               | -                          | -  | -                     | -             | -  | -   | -                                       | -                              | -                                 | -                    | -                               | -                       | -                 | -                              | -                                 | -  | -                                   | -                         |  |
| Illinois             | Yes.                     | -            | Yes.              | Yes.    | -            | Yes.   | Laws in language which usual patrons can understand. | Yes.                                     | Yes.   | Yes.       | Yes.             | Yes.        | -               | Yes.                       | Yes.                                     | Yes.                  | Yes.          | Name and address of licensing authority. | Yes.  | Yes.                                    | Yes.                           | -                                 | Yes.                 | Yes.                            | Yes.                    | -                 | Yes.                           | Yes.                              | Yes.   | Yes.                                | Yes.                      | Yes.   |
| Indiana              | Yes.                     | -            | Yes.              | Yes.    | -            | -  | Yes.   | -  | Yes.   | Yes.       | Yes.             | Yes.        | -               | Yes.                       | -  | Yes.                  | -             | -  | -   | -                                       | -                              | Yes.                              | -                    | Yes.                            | -                       | Yes.              | -                              | Yes.                              | Yes.   | -                                   | -                         |  |
| Iowa                 | -                        | -            | -                 | -       | -            | -  | -  | -  | -  | -          | -                | -           | -               | Yes.                       | -  | -                     | -             | -  | -   | -                                       | -                              | Yes.                              | -                    | -                               | -                       | -                 | -                              | Yes.                              | Yes.   | -                                   | -                         |  |
| Louisiana            | -                        | -            | -                 | -       | Yes.         | -  | -  | -  | -  | -          | -                | -           | -               | -                          | -  | -                     | -             | -  | -   | -                                       | -                              | -                                 | -                    | -                               | -                       | -                 | -                              | -                                 | -  | -                                   | -                         |  |
| Maine                | Yes.                     | -            | Yes.              | -       | -            | -  | Yes.   | -  | -  | -          | -                | Yes.        | -               | Yes.                       | Yes.                                     | Yes.                  | -             | -  | Yes.  | -                                       | -                              | -                                 | -                    | -                               | -                       | -                 | -                              | -                                 | -  | -                                   | -                         |  |
| Minnesota            | -                        | -            | -                 | -       | Yes.         | -  | -  | -  | -  | -          | Yes.             | -           | -               | Yes.                       | -  | -                     | -             | -  | -   | -                                       | -                              | -                                 | -                    | -                               | -                       | -                 | -                              | -                                 | -  | -                                   | -                         |  |
| Missouri             | Yes.                     | -            | Yes.              | -       | -            | -  | Yes.   | -  | -  | Yes.       | Yes.             | -           | -               | -                          | -  | Yes.                  | -             | -  | -   | -                                       | -                              | -                                 | Yes.                 | -                               | Yes.                    | -                 | -                              | -                                 | Yes.   | Yes.                                | -                         | -  |
| New Hampshire        | -                        | Yes.         | -                 | -       | -            | -  | -  | -  | -  | -          | -                | -           | -               | -                          | -  | -                     | -             | -  | -   | -                                       | -                              | -                                 | -                    | -                               | -                       | -                 | -                              | -                                 | -  | -                                   | -                         |  |
| New Jersey           | Yes.                     | -            | Yes.              | -       | -            | Yes.   | Laws in language which usual patrons can understand. | Yes.                                     | Yes.   | Yes.       | -                | Yes.        | -               | Yes.                       | Yes.                                     | Yes.                  | Yes.          | Yes.                                     | Yes.  | Yes.                                    | Yes.                           | Yes.                              | Yes.                 | Yes.                            | Yes.                    | Yes.              | Yes.                           | Yes.                              | Yes.   | Yes.                                | Yes.                      | Yes.   |
| New York             | Yes.                     | -            | Yes.              | Yes.    | -            | Yes.   | Same as above.                                       | Yes.                                     | Yes.   | Yes.       | -                | Yes.        | -               | Yes.                       | Yes.                                     | Yes.                  | Yes.          | Yes.                                     | Yes.  | Yes.                                    | Yes.                           | Yes.                              | Yes.                 | Yes.                            | Yes.                    | Yes.              | Yes.                           | Yes.                              | Yes.   | Yes.                                | Yes.                      |  |
| Ohio                 | Yes.                     | -            | Yes.              | -       | -            | Yes.   | Yes.   | -  | Yes.   | Yes.       | Yes.             | -           | -               | Yes.                       | -  | Yes.                  | Yes.          | -  | -   | -                                       | -                              | Yes.                              | -                    | -                               | -                       | Yes.              | -                              | Yes.                              | Yes.   | -                                   | -                         |  |
| Oklahoma             | Yes.                     | -            | Yes.              | -       | -            | Yes.   | Yes.   | -  | Yes.   | Yes.       | Yes.             | -           | -               | Yes.                       | -  | Yes.                  | Yes.          | -  | -   | -                                       | -                              | -                                 | -                    | -                               | -                       | -                 | -                              | Yes.                              | Yes.   | -                                   | -                         |  |
| Pennsylvania         | Yes.                     | -            | Yes.              | -       | -            | Yes.   | Laws in language which usual patrons can understand. | Yes.                                     | Yes.   | Yes.       | -                | Yes.        | Yes.            | Yes.                       | -  | Yes.                  | Yes.          | -  | Yes.  | Yes.                                    | -                              | Yes.                              | -                    | Yes.                            | Yes.                    | Yes.              | Yes.                           | Yes.                              | Yes.   | Yes.                                | Yes.                      | Yes.   |
| Rhode Island         | -                        | Yes.         | -                 | -       | -            | -  | -  | -  | -  | -          | -                | -           | -               | -                          | -  | -                     | -             | -  | -   | -                                       | -                              | -                                 | -                    | -                               | -                       | -                 | -                              | -                                 | -  | -                                   | -                         |  |
| Utah                 | -                        | -            | -                 | -       | Yes.         | -  | Yes.   | -  | Yes.   | Yes.       | Yes.             | Yes.        | -               | Yes.                       | -  | -                     | -             | -  | -   | -                                       | -                              | Yes.                              | Yes.                 | -                               | Yes.                    | -                 | -                              | -                                 | -  | -                                   | -                         |  |
| Wisconsin            | -                        | -            | -                 | -       | Yes.         | Yes.   | -  | -  | -  | -          | -                | -           | -               | -                          | -  | -                     | -             | -  | -   | -                                       | -                              | -                                 | -                    | -                               | -                       | -                 | -                              | -                                 | -  | -                                   | -                         |  |
| 21                   | 13                       | 2            | 11                | 3       | 5            | 10   | 14   | 4  | 12   | 12         | 10               | 10          | 2               | 14                         | 5  | 12                    | 7             | 5  | 8   | 5                                       | 4                              | 3                                 | 11                   | 8                               | 4                       | 13                | 5                              | 11                                | 5  | 13                                  | 13                        | 4  |
| MASSACHUSETTS        | -                        | Yes.         | -                 | -       | -            | -  | Yes.   | -  | -  | -          | Yes.             | -           | -               | -                          | Yes.                                     | -                     | -             | -  | -   | -                                       | -                              | -                                 | -                    | -                               | -                       | -                 | Yes.                           | -                                 | -  | -                                   | -                         |  |

